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A Stark Choice for Russia's Voters



Agence France-Presse

A Moscow woman passing a poster of Gennadi Zyuganov on Friday.

By Lee Hockstader
Washington Post Service

MOSCOW — In their first chance in 10 years to pass judgment on a popularly elected leader, Russian voters will face a choice of stunning clarity on Sunday: rival candidates whose understandings of the world, and of Russia, could not be more radically different.

Whether they are explaining the economy or history, or the definition of freedom and the role of the state, Boris N. Yeltsin and his Communist rival, Gennadi A. Zyuganov, have world views that have strikingly little in common, especially considering that both men spent nearly all of their adult lives in the Communist Party of the Soviet Union.

That point has been occasionally obscured, not least because neither campaign has bothered to articulate a vision of the future, and because at times each, seeking tactical advantage, has seemed to slouch fleetingly toward the other's positions.

But the fact that the division between them is sharp has not been lost on voters, and the proof is this:

No matter how much they may dislike both candidates, or think them equally corrupt, or gripe that it makes no difference who wins, Russians almost never say they cannot decide between Mr. Yeltsin and Mr. Zyuganov.

"There are no Communists in Russia and there are no capitalists," said Mikhail Zhvanetsky, the country's best-loved satirist. "In Russia there are people who have adjusted to this new life and those who have not."

The choice is stark on several levels. Mr. Yeltsin, more than any leader of Russia since Peter the Great, has thrown open the country to foreign ideas and influences. Mr. Zyuganov

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U.K. Probes Huge Losses By Japan Copper Trader

By Erik Ipsen
International Herald Tribune

LONDON — Britain's Serious Fraud Office announced Friday that it had opened an investigation into $1.8 billion in losses that the Sumitomo Corp. said it had suffered as a result of unauthorized trades by its chief copper trader in Tokyo.

A spokeswoman said that following discussions with the Securities and Investments Board, Britain's top markets regulator, the Serious Fraud Office and the City of London police "have taken on an investigation into the affairs of, and surrounding" Yasuo Hamanaka, a former employee of Sumitomo.

She said the City of London police were involved because the allegations fell within their jurisdiction. She added that it could be months before the investigation yielded any results.

The revelations Thursday of Sumitomo's losses over a 10-year span were the third in 16 months in which markets have been rocked by news of traders punching holes in their company's accounts. It comes just eight months after another Japanese giant, Daiwa Bank, admitted that a senior trader in its New York office had caused $1.1 billion in losses over an 11-year period through unauthorized trades in the bond markets.

What sets the Sumitomo case apart from either that of Daiwa Bank, or the $1.4 billion in losses run up by Nicholas Leeson at Barings Plc last year, is both the size of the losses and the profile of the man who has now acknowledged doing the unauthorized trading.

By all accounts, Mr. Hamanaka, the ousted chief copper trader, had long ranked not only as the pivotal player in the huge world copper market, but also as one of its most controversial figures. In 1993, for instance, Mr. Hamanaka denied that he had been involved in price manipulations that had claimed numerous victims. Among those was Codelco, a Chilean company that is the world's biggest copper producer. It reported losses of $170 million in the episode.

Traders say that Mr. Hamanaka, as the biggest fish in the pond, used Sumitomo's size to maximum advantage, periodically punishing those who had sold the metal short by buying up copper and sending its price higher. Many in the market, for instance, saw Mr. Hamanaka's hand in just such a squeeze put on several big investment funds this March, which produced large losses for them.

In spite of Mr. Hamanaka's tactics, few traders ever doubted his worth to Sumitomo. "The general feeling was always that Hamanaka was a successful trader who sometimes lost his shirt but on balance did well for Sumitomo," said a London copper analyst.

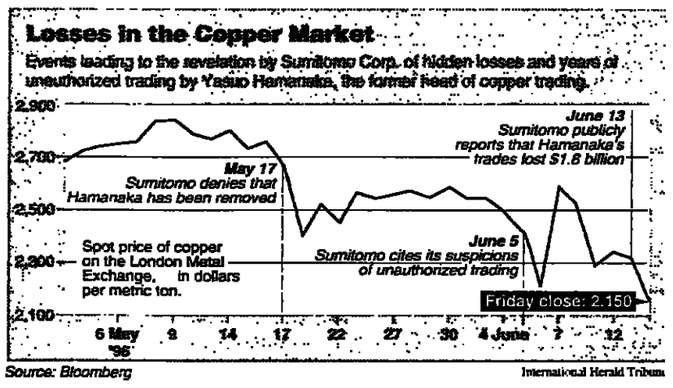
What nonetheless struck many as odd about Mr. Hamanaka was the contrast between his huge trading volumes and the fact that Sumitomo's own rules prohibit the company from speculating in the market. Questioned about that over the years, both the company and its head copper trader insisted that their activities in the markets were necessary to ensure a steady supply of metal to their customers, who bought as much as a total of 750,000 tons from Sumitomo a year.

For regulators, this latest financial scandal holds at least some consolation. For once, the regulators did bark and bark together, although admittedly tardily.

A senior British regulator said early this year that both the Securities and Investments Board as well as the London Metals Exchange, the world's dominant copper market, had begun an investigation into copper trading. "What was going on just didn't make sense," he said, recalling that in contrast to the established norm, the price of copper had soared well above its price for future delivery.

Not surprisingly, given Sumitomo's

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A Breakdown of Control

Spree at Strict Sumitomo Raises New Questions About Japanese Companies' Internal Oversight

By Andrew Pollack
New York Times Service

TOKYO — The business principles of Sumitomo Corp., framed and hung on the wall in many of the giant trading company's far-flung outposts, warns against speculation. "Under no circumstances," it states, should the company "pursue easy gains or act imprudently."

Yet in a disclosure that shook world commodities markets, Sumitomo has announced that it expects to suffer a $1.8 billion loss — equivalent to more than nine times last year's net profit — from the actions of essentially one executive making unauthorized and apparently highly speculative and imprudent trades on the world copper market over a period of 10 years.

The announcement shocked Japan, in part because it came from Sumitomo, one of Japan's oldest and proudest companies and one that is considered the most conservatively managed of Japan's trading companies. It is generally financially more solid than its rivals, more timid in venturing into new businesses and longer on bureaucratic process.

"Sumitomo is ridiculously rigid in control," said a businessman who has spent his career at a rival trading firm. "We are always laughing at Sumitomo. They are not a trading firm. They are like an administrative company, trying to control the entrepreneurial spirit."

Still, the announcement on Thursday, coming less than a year after Daiwa Bank announced a $1.1 billion loss caused by a rogue trader of U.S. Treasury bonds, is likely to raise anew questions about the adequacy of internal controls at Japanese companies, which often tend to place a great trust on individuals at the expense of formal checks and balances.

Questions might also arise about whether it is possible for anyone to adequately manage Japan's leading trading companies, which are the biggest companies on earth and have been diversifying into numerous businesses in recent years.

Sumitomo had revenue of 16.2 trillion yen, or more than $150 billion, in the fiscal year that ended March 31. It has more than 200 offices around the world and trades in thousands of products, from pork to pipe, and aerospace equipment to fertilizer.

It also invests in everything from oil production in Vietnam to copper mining in Chile, steel and solar-cell manufacturing in the United States and in-

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Reuters

Yasuo Hamanaka admitted losing $1.8 billion in copper trading.

Bosnia Weapons Control Accepted

After Long Talks, 5 Parties Agree on Arsenals and Inspection

By Chris Hedges
New York Times Service

FLORENCE — Bosnian Serbs, Croats and Muslims, as well as the governments of Croatia and the rump Yugoslavia, ended six months of often-acrimonious negotiations Friday by agreeing to limit the types and numbers of weapons each of the former warring factions can possess.

The sweeping arms-control agreement, one of the most important components of the peace accord reached last year in Dayton, Ohio, is designed to open up all arsenals for international inspection.

The agreement was mediated in long talks in Vienna by the Organization for Security and Cooperation in Europe and announced in Florence at a meeting of the Peace Implementation Council to review six months of peacekeeping in Bosnia.

International negotiators said they hoped the accord would lead to greater cooperation among the five signatories and substantially reduce the threat of renewed conflict.

"All of the parties, for the first time, have accepted, on a voluntary basis, to limit armaments and reduce arms if the numbers are above the limits," said Vigleik Eide, a retired Norwegian general who was chairman of the negotiations in Vienna. "They have agreed on an international inspection mechanism so the parties can check to control the situation and build confidence."

The five parties have 16 months, starting July 1, to reduce the number of weapons they hold to specific levels, according to the 70-page text.

The parties can export excess weapons, destroy them or put them on fixed public display. Excess combat aircraft can be used for training if they are stripped of armaments.

Five types of weapons are to be limited: tanks, heavy artillery, armored combat vehicles, combat aircraft and attack helicopters.

The arms-control agreement ended a two-day conference of ministers from more than 40 countries. The ministers endorsed the call by the Clinton administration to go ahead with Bosnian elections in September despite the failure to achieve many conditions — such as freedom of movement and the return of refugees to their homes — called for in the peace agreement.

The ministers also stated that the "continuation in public authority" of Radovan Karadzic, the Bosnian Serb leader who has been indicted for war crimes by the international tribunal at The Hague, "was unacceptable."

The conference called on Mr. Karadzic to "remove himself from public life."

But many of the key players here dedicated their time to pushing through the arms-control agreement, which failed to meet a June 6 deadline.

The final stumbling block to the sign-

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Turkey: A Model of Political Disarray

By Celestine Bohlen
New York Times Service

ISTANBUL — When the foreign minister of Kyrgyzstan met with her Turkish counterpart at a recent international gathering, she asked him a question so painful and so blunt that it ended up making front-page news here in Turkey.

"When we got our independence, you gave us inspiration," said Rosa Otunbaeva, the official from the Central Asian country. "Turkey was our horizon. When we looked at Turkey, we thought we would one day be like you."

And then with tears in her eyes, she blurted, "What has happened to you?"

This emotional conversation, retold to the newspaper Hurriyet by Foreign Minister Emre Gonensay of Turkey, captured a mood shared by many Turks these days as they try to understand what has gone wrong with their government, their politics and their ambitions to be a major player in a trouble-prone region.

If three years ago Turkey seemed the model of a Western-looking, secular state that could lead the way for the Muslim republics of the former Soviet Union, its image today is quite different.

An ugly political stalemate has paralyzed domestic initiatives, further damaging an economy already hit with high inflation; a harsh war against Kurdish separatists is no closer to an end, and Turkey's relations with Greece and now with Arab states are at new lows.

"A lot of Western capitals are looking at Turkey with amazement and anxiety, wondering how seriously to take its crisis," said a Western diplomat. "But Turkey is a country that cannot afford not to be taken seriously."

It has been nine months now since Turkey had an effective government, a period that has been punctuated by two resignations, one round of elections and a cycle of backroom negotiations that have gone on so long that they have now begun to repeat themselves.

The crisis began last fall when Prime Minister Tansu Ciller, an American-educated economist, resigned after the collapse of her governing coalition. In elections in December, an Islamic party took the lead for the first time in the

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AGENDA

FBI Orders More Controls on Files

WASHINGTON (AP) — The FBI director, Louis J. Freeh, ordered strict new controls Friday on the bureau's background files, while disclosing that the White House had sought data on 408 people "without justification."

"The inquiry shows the FBI gave inadequate protection to the privacy interests of persons in FBI files," Mr. Freeh said. He released a 31-page report from the bureau's general counsel, Howard Shapiro, who reviewed the affair that has become a presidential campaign issue.

Mr. Shapiro called the recent discovery of the file requests "egregious violations of privacy." White House officials have laid the blame on a bureaucratic error by low-level employees, and President Bill Clinton has apologized.

"I promise the American people that it will not happen again on my watch," Mr. Freeh said.

Dow Jones	Trib Index
Down 8.50	Down 0.04%
5649.45	137.28

The Dollar

New York.	Fri. close	previous close
DM	1.5275	1.5271
Pound	1.537	1.5351
Yen	109.15	108.665
FF	5.176	5.182

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Newsstand Prices

Andorra	10.00 FF	Lebanon	11 3,000
Antilles	12.50 FF	Morocco	14 Dh
Cameroon	1,600 CFA	Qatar	10.00 Riels
Egypt	£E 5	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1,250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1,250 JD	U.S. Mil. (Eur.)	$1.20

Going Into a Hole With a Hole-In-One

In Japan, Where an Ace Calls for Costly Gifts, Insurance Is the Answer

By Kevin Sullivan
Washington Post Service

ABIKO, Japan — Noriaki Yamashita's tee shot fell softly toward the 15th green, bounced once, bounced twice, then plopped into the cup for a hole-in-one. Peering down at his ball, Mr. Yamashita "knew something terrible had happened."

To many, a hole-in-one is golf's ultimate prize, but the Japanese call it an *arubatorosu* — an albatross. Those who score an ace are required by custom to buy drinks, dinner and other presents for club members and friends, all of which easily adds up to $10,000 or more.

That's why the Japanese have hole-in-one insurance.

Almost 4 million golfers in this country spend more than $210 million a year on insurance policies to guard against the perfect tee shot, not to mention theft and for damage or injuries caused by their golf shots.

The Japanese believe those who receive good fortune have an obligation to share. At a Japanese wedding, guests not only bring a present but also receive one from the wedding couple. When a professional baseball team owned by a department store company wins the national championship, the store holds a big sale.

So when Mr. Yamashita, 55, scored the first ace of his life last July, he did two things: He called his insurance company, then he went shopping.

By the time he had bought golf shoes for 30 friends, golf bags for 30 others and sport towels for 60 more, taken 15 friends out to dinner and tipped his caddie, he'd spent about $13,000 — considerably more than the $5,000 worth of insurance he carried at the time.

"At first my wife was really stunned," Mr. Yamashita said. "But even though it was more than I expected to pay, she was willing to admit it was necessary. The Goddess of Golf had smiled on me, so it was a good idea to say thank you."

Still, to guard against any further largess from the goddess, Mr. Yamashita doubled his insurance. Good thing. When he hit his perfect 5-iron off the 15th tee two months ago — a rare second hole-in-one — his $10,000 policy covered just about everything.

Golf is wildly expensive in Japan, so the big penalties for a hole-in-one are not totally unexpected. At Mr. Yamashita's club, the Abiko Golf Club, a premier course northeast of Tokyo, new members must pay a $20,000 entrance fee and buy $500,000 worth of the club's stock, which they can sell if they ever

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Major Rebukes Thatcher Over Gift to Anti-EU Group

Reuters

LONDON — Prime Minister John Major issued a thinly disguised rebuke to his predecessor, Margaret Thatcher, on Friday, calling for "Conservatives everywhere" to put aside differences over Europe and fight the next election.

Aides said Mr. Major was "incandescent" with rage after Lady Thatcher made a substantial donation Thursday to an anti-European research organization run by a Conservative lawmaker who accuses Brussels of encroaching on Britain's sovereignty.

Speaking at the Welsh Conservative Party conference in Porthcawl, Mr. Major departed from his prepared text to issue a strongly worded call for party unity.

He said: "Our job, your job, my job, the job of everyone in Parliament, the job of all Tories everywhere is to bend all of our efforts to winning the general election that lies ahead."

Mr. Major, who has a parliamentary majority of just one seat, must call a general election by next May.

"There is no time for distractions," the prime minister said. "We cannot afford them."

"We need to go out there onto the doorsteps — all of us, without exception — fighting for the Conservative cause and putting our case to the nation that would face such difficulties were they to have an alternative government," he said.

Bill Cash, the Conservative who runs the research organization, could barely contain his glee when announcing Lady Thatcher's gift.

On Thursday, Mr. Major forced Mr. Cash to break his links with Sir James Goldsmith, who is threatening to run candidates from his Referendum Party in the election. Such candidacies could prove crucial in marginal Conservative constituencies and throw the election to the Labor Party.

Mr. Cash won the support of 73 Conservative lawmakers on Tuesday for a bill calling for a referendum on Britain's links with the European Union. Mr. Major has ruled out a referendum.

Lady Thatcher, ousted in a party coup in 1990 over her increasingly anti-European stance, told Mr. Cash in a letter that the work of his European Foundation was vital.

Mr. Major issued a curt statement on her donation. "Everyone must choose what to do with their own money," he said. "Lady Thatcher must answer for her own actions. Personally I would have given it to the Conservative Party."

The Conservatives are running about 20 points behind Labor in public opinion surveys, but the secretary for Wales, William Hague, said the party could win the elections if internal differences were put aside.

"If we do that, the general election is there for the taking," he said.

But Labor's foreign affairs spokesman, Robin Cook, said of the Conservative infighting: "It demonstrates why this government cannot stagger on."

The vice president of the European Commission, Sir Leon Brittan, called on British business executives to mount a vigorous challenge to politicians who oppose participation in the Union. In a speech in Leeds, Sir Leon said the debate over the country's relationship with the European Union was based on prejudice and slogans and was generating "more heat than light."

He said it would be "devastating for British business and disastrous for the British people" if Britain left the Union



Russell Boyce/Reuters

Lady Thatcher in London on Friday. Aides to Mr. Major said he was 'incandescent' with anger over her donation.

Investors in Iranian Oil Face Retaliation by U.S.

By Thomas W. Lippman
Washington Post Service

WASHINGTON — The House Ways and Means Committee has approved a bill requiring U.S. retaliation against foreign companies that invest in Iran's oil industry, virtually assuring quick enactment of the legislation despite strong opposition from U.S. allies.

Passage will mark the second time this year that the United States has used its economic power to force other countries to adopt Washington's positions on international issues. Wielding a tool known as a "secondary boycott" it has opposed in the past, the United States approved similar sanctions earlier this spring to target foreign companies that invest in Cuba.

The new measure would require the president to impose any two of six sanctions against a foreign company that invests $40 million or more in Iranian oil and gas development. The sanctions, which range from the loss of credits from the Export-Import Bank to the loss of exports to the United States, were approved by a voice vote Thursday with only two dissents.

European countries and other major U.S. trading partners fought vigorously against the Iran bill, as they did against the Cuba one, warning of possible retaliation against U.S. firms.

But senior Ways and Means members said the Europeans' reluctance to confront Iran left the committee no choice but to vote for a bill it found distasteful because of the panel's traditional reluctance to endorse trade sanctions.

The use of economic sanctions "is the wrong approach," said the committee's chairman, Representative Bill Archer, Republican of Texas. "However, if our allies are going to be complacent in the face of such blatant criminality on the part of Iran and Libya" — which is also a target of the bill with somewhat less controversial sanctions — "the United States is all but forced to exercise its leadership unilaterally."

The Ways and Means measure has the support of the Clinton administration and an overwhelming majority of House members, and a similar bill has been approved by the Senate. Supporters said that the full House would approve it as early as Monday and that the Senate would move quickly to accept the House version.

The vote was a major victory for the American Israel Public Affairs Committee, the chief pro-Israel lobbying group, which campaigned for more than a year to tighten the economic screws on Iran. Israel, like the Clinton administration, views Iran as the major sponsor of international terrorism.

President Bill Clinton, who last year barred U.S. companies from doing business with Iran, will sign the sanctions bill, officials said. U.S. trading partners in Europe and Canada are expected to renew their objections at the meeting of the Group of Seven major industrial nations in France late this month, diplomats said.

EU Balks at U.K. Beef Plan

Experts Want Potentially Diseased Cattle Killed

By Tom Buerkle
International Herald Tribune

BRUSSELS — Veterinary officials of the European Union refused Friday to endorse Britain's plan for eradicating "mad cow" disease, dealing a fresh blow to hopes for an early end to the bloc's beef crisis.

The disagreement, which centered on the number of cattle that Britain should slaughter to rid itself of bovine spongiform encephalopathy, increased the likelihood that Prime Minister John Major would continue his policy of obstructing EU business into the bloc's semi-annual summit meeting in Florence next Friday and Saturday, officials said.

"He has to give the impression that he is fighting," a European official said, noting how the ban on beef exports has become a lightning rod for EU critics in Mr. Major's divided Conservative Party. "It's a question of his political survival."

EU officials still held out hope that the basis for a settlement at Florence could be found during a series of high-level meetings, including a special gathering of foreign ministers in Rome on Monday and a meeting of the European Commission, the EU executive agency, in Strasbourg on Tuesday.

On Friday, a committee of chief veterinary officers from the 15 EU governments continued to press Britain to extend its selective slaughter of cows deemed at risk of developing the bovine disease to include animals born in 1989, which would involve the slaughter of an additional 20,000 cows.

But British officials stuck to their proposal to kill 80,000 animals born between 1990 and 1993, rejecting any extension of the slaughter as useless.

The incubation period for the disease is about five years, they said, and the government already has banned any processing of cows over 30 months old into meat products.

"We want to use our resources in the most cost-effective way," said Keith Meldrum, Britain's chief veterinary officer.

■ 'French Beef Only'

The British retailer Marks & Spencer, in a move certain to raise eyebrows in London, ran advertisements in major French newspapers Friday to assure consumers that it sold no British beef or beef products in its French stores, Reuters reported.

The advertising campaign followed the European Commission's easing last week of an export embargo of British beef, imposed in March over fears of mad cow disease, to allow sales of tallow, gelatin and sperm in the European Union.

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BRIEFLY EUROPE

Anti-Alien Debate in Vienna

VIENNA — Jörg Haider, the Austrian far-right leader, sparked a political storm Friday when he demanded repatriation for unemployed foreigners and called for a parliamentary debate on the subject.

Mr. Haider, whose Freedom Party won a quarter of the votes in December's general elections, said the supply of cheap foreign labor far outstripped demand.

"There are 36,000 unemployed foreigners living in Austria," he said, stressing the high costs of unemployment benefits. "At the beginning, the emphasis should be on voluntary departure. If the policy is without success we should look at introducing legislation." A special parliamentary session has been scheduled for Tuesday to debate the issue. *(Reuters)*

Kohl Holds Firm on Reforms

BONN — Chancellor Helmut Kohl's government vowed Friday to stay the course of reform on the eve of a huge demonstration against Bonn's plans to cut spending and social benefits.

Police say the rally, sponsored by labor unions, could draw more than 400,000 people, making it Bonn's biggest demonstration in the postwar era.

"We will not yield to pressure from the street," Wolfgang Schäuble, a leader of Mr. Kohl's Christian Democrats, told the daily Bild. "The protesters do not speak for the unemployed or the majority of the population. Most people in our country have long recognized, in contrast to the Social Democrats and trade unions, that we have to save money." *(Reuters)*

Ex-Nazi Could Face Life Term

ROME — The prosecutor at the trial of Erich Priebke, a former SS captain accused in Italy's worst World War II massacre, hinted Friday that he would seek a life sentence. "In my summing up I will ask for the sentence that Priebke deserves because I believe he is completely guilty," said the prosecutor, Antonio Intelisano.

Mr. Priebke, 82, is accused of being a key organizer of the Ardeatine Caves massacre in 1944 in which 335 Italian men and boys were rounded up and shot. The massacre was a reprisal for a partisan attack that killed 33 Germans. *(Reuters)*

Sinn Fein Assails Assembly

BELFAST — Sinn Fein, the political arm of the Irish Republican Army, dismissed a new elected assembly for British Northern Ireland on Friday as a distraction.

A senior negotiator, Martin McGuinness, defending Sinn Fein's decision to boycott the new 110-member Forum, said pro-British Unionist parties would use it to try to block Sinn Fein from joining peace talks that had a faltering start Monday.

"We made it quite clear in the run-up to the election that the establishment of a Unionist-dominated body will offer nothing either constructively or productively for the people of the North," Mr. McGuinness told BBC radio. *(Reuters)*

Suspended Term for Doctor?

PARIS — A prosecutor on Friday requested a six-month suspended prison sentence for the personal physician of the late French president, François Mitterrand, for violating doctor-patient secrecy.

Dr. Claude Gubler disclosed in his book "The Great Secret," published a week after Mr. Mitterrand died in January and quickly banned by the courts, that the president had lied to conceal his cancer from the public for 11 years while in power. The maximum sentence for breaching medical secrecy is a year in prison and a 100,000-franc ($20,000) fine. *(Reuters)*

TRAVEL UPDATE

Free Métro? Doubtful

PARIS (Reuters) — The French Parliament called Friday for public transport to be made available free during peak pollution periods, but the proposal has a long road to travel.

The measure faces an obstacle course of parliamentary procedures, and experts say it may well not be adopted in its current form. The measure, an amendment to a clean air bill, was passed unanimously, but it did not spell out who would pay for the transportation or how the system would work.

Avignon Bans Beggars

AVIGNON, France (AFP) — Avignon on Friday joined Menton and Nice in banning beggars from July 1 to Sept. 15. It also banned "abusive drinking."

Other cities are considering similar bans as the southern French region prepared for millions of tourists.

Dallas opened the first part of a rail transit system, an 11.2-mile section that includes branches into mostly black and Hispanic neighborhoods. *(NYT)*

Greece signed a $2.7 million financing agreement Friday with a group of commercial banks, the European Investment Bank and the Athens Airport Co. for the construction of a new international airport. *(Reuters)*

Worried that skyscrapers are threatening air safety, Chinese authorities have ordered a stop to high-rise constructions near airports. *(AP)*

RELIGIOUS SERVICES

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CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m./ Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 020-641 8812 or 020-6451 653.

FRANCE/TOULOUSE

HOPE INTERNATIONAL CHURCH (Evangelical). 4, bd. de Pibrac, Colomier. Sunday service. 6:30 p.m. Tel.: 62.24.31.18.

FRENCH RIVIERA/CÔTE D'AZUR

NICE: Holy Trinity, (Anglican/Episcopalian), 11 rue de la Buffa: Sunday Eucharist at 11 a.m.; Weekdays as on notice board. VENCE: St.Hugh's, ave. de la Résistance: Sunday Eucharist at 9 a.m. Contact Father Ken Letts 93 87 19 83.

MUNICH

INTERNATIONAL COMMUNITY CHURCH, Evangelical Bible Believing, services in English 4:30 p.m. Sundays at Enhuberstr. 10 (U2 Theresienstr.) (089) 850-8617.

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EMMANUEL BAPTIST CHURCH, 56 Rue des Bons-Raisins, Rueil-Malmaison. Early service and Sunday School - 9:45 a.m. Second service with Children's Church - 11:00 a.m. Rev. Scott Sheerman. Call 47.51.29.63 or 47.49.15.29 for information.

HOPE INTERNATIONAL CHURCH Hotel Orion at Paris-la-Défense, 8 bd. de Neuilly. Worship Sundays 9:30 a.m. Rev. Douglas Miller, Pastor. Tel.: 43.33.04.06. Métro 1 to la Défense Esplanade.

SAINT JOSEPH'S CHURCH (Roman Catholic). Masses: Sunday: 9:45 & 11:00 a.m., 12:15 & 6:30 p.m.; Saturday: 11:00 a.m. & 6:30 p.m.; Monday to Friday: 8:30 a.m. 50, avenue Hoche, Paris 8th. Tel.: 42.27.28.56. Metro: Charles de Gaulle - Etoile.

ST. MICHAEL'S CHURCH (evangelical Anglican). Sundays 10:30 a.m. (with children's club and creche) and 6:30 p.m. Midweek study groups. Christ-centered fellowship in the heart of Paris. 5 rue d'Aguesseau, 75008. Tel.: 47.42.70.88. Metro: Concorde.

TOKYO

ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Iidabashi Stn. Tel.: 3261-3740. Worship Service: 9:30 a.m. Sundays.

TOKYO UNION CHURCH near Omotesando Subway Sta. Tel: 3400-0047, Worship Services: Sunday 10:00 a.m. only.

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For info on other areas in Europe, write: EUU c/o Hertz, Frydenlundsvej 49, DK-2950 Vedbaek, Denmark. Fax + Tel. (45) 42 89 4184. INTERNET: ghertz @nordita.dk

THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS and SUBURBS

THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun. 9 & 11 a.m., 10:45 a.m. Sunday School for children and Nursery care. Third Sunday 5 p.m. Evensong. 23, avenue George V, Paris 75008. Tel.: 33/1 47 20 17 92. Metro: George V or Alma Marceau.

FLORENCE

ST. JAMES' CHURCH, Sun. 9 a.m. Rite I & 11 a.m. Rite II. Via Bernardo Rucellai 9, 50123, Florence, Italy. Tel.: 39/55 29 44 17.

FRANKFURT

CHURCH OF CHRIST THE KING (Episcopal/Anglican) Sun. Holy Communion 9 & 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Rinz St. 22, 60323 Frankfurt, Germany, U1, 2, 3 Miquel-Allee. Tel: 49/69 55 01 84.

GENEVA

EMMANUEL CHURCH, 1st & 3rd Sun. 10 a.m. Eucharist; 2nd & 4th Sun. Morning Prayer. 3 rue de Monthoux, 1201 Geneva, Switzerland. Tel.: 41/22 732 80 78.

MUNICH

THE CHURCH OF THE ASCENSION, Sun. 11:45 a.m. Holy Eucharist and Sunday School, Nursery Care provided. Seybothstrasse 4, 81545 Munich (Harlaching), Germany. Tel.: 49/89 64 81 85.

ROME

ST. PAUL'S WITHIN-THE-WALLS, Sun. 8:30 a.m. Holy Eucharist Rite I; 10:30 a.m. Choral Eucharist Rite II; 10:30 a.m. Church School for children & Nursery care provided; 1 p.m. Spanish Eucharist. Via Napoli 58, 00184 Rome. Tel.: 39/6 488 3339 or 39/6 474 3569.

BRUSSELS/WATERLOO

ALL SAINTS' CHURCH, 1st Sun. 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays: 11:15 a.m. Holy Eucharist and Sunday School. 563 Chaussée de Louvain, Ohain, Belgium. Tel. 32/2 384-3556.

WIESBADEN

THE CHURCH OF ST. AUGUSTINE OF CANTERBURY, Sun. 10 a.m. Family Eucharist. Frankfurter Strasse 3, Wiesbaden, Germany. Tel.: 49/611.30.66.74.

EUROPEAN BAPTIST CONVENTION

BERLIN

I.B.C., BERLIN, Rothenburg Str. 13, (Steglitz). Bible study 10.45, worship at 12.00 each Sunday. James Hellin, pastor. Tel.: 030-774-4670.

BONN/KÖLN

I.B.C. OF BONN/KÖLN, Rheinau Strasse 9, Köln. Worship 1:00 p.m. Calvin Hogue, Pastor. Tel.: (02236) 47021.

BREMEN

I.B.C. (English language) meets at Evangelisch-Freikirchlich Kreuzgemeinde, Hohenlohestrasse Hermann-Bose-Str. (around the corner from the Bahnhof) sunday worship 17:00. Pastor Steve Sigh. Tel. 04791-12877.

BUCHAREST

I.B.C., Strada Popa Rusu 22. 3:00 p.m. Contact Pastor Mike Kemper. Tel. 312 3860.

BUDAPEST

I.B.C., meets in Morics Zsigmond Gimnazium, Torokvesz ut 48-54, Sundays. 10:00 Coffee Fellowship, 10:30 Worship. Take Bus 11 from Batthyany ter. Other meetings, call Pastor Bob Zbinden, Tel. 250-3932.

BULGARIA

I.B.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00. James Duke, Pastor. Tel.: 669 666.

CELLE/HANNOVER

I.B.C., Windmuelen Strasse 45, Celle 1300 Worship, 1400 Bible Study, Pastor James Wilson. Ph. (05141) 46416.

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP, Sodenerstr. 11-18, 63150 Bad Homburg. A friendly, Christ-centered, church serving the English-speaking community. Sunday Worship, S.S. & Nursery 09:45. Weekday Groups. Pastor M.P. Levey. Call 06173-62728.

BETHEL I.B.C. Am Dachsberg 92 (English). Worship Sun. 11:00 a.m. and 6:00 p.m. Tel.: 069-549559.

HOLLAND

TRINITY INTERNATIONAL invites you to a Christ centered, loving fellowship. Worship Services 9:00 a.m. and 10:30 a.m. with nursery Bloemcamplaan 54, Wassenaar 070-517-8024.

KIEV

I.B.C. English Language Service. 10:00 at 3-a Tolstoga Str. (Metro same). Pastor Buddy Barnett, ph. 269-8148.

LISBON

I.B.C. Second Floor of Third Baptist Church, Rua Filipe Folque 36. 10:00 Bible Study, 11:00 Worship. Pastor Larry Ross. Tel.: 418-51138.

MOSCOW

I.B.C. Meeting 1100; Kino Center Building 15 DruzDruzhinnikovskaya UL 5th Floor, Hall 6, Metro Station Barrikadnaya Pastor Don Deel. Tel.: (095) 971 3558.

MUNICH

I.B.C. Holzstr. 9 English Language Services. Bible study 15:45. Worship Service 17:00. Pastor's phone: (089) 690 8534.

NICE - FRANCE

I.B.C. 13 rue Vernier. English service, Sunday evening 18:30, pastor Roy Miller - Tel.: (093) 320 596.

PRAGUE

INTERNATIONAL BAPTIST FELLOWSHIP meets at the Czech Baptist Church Vinohradska # 68, Prague 3. At metro stop Jiriho z Podebrad Sunday a.m. 11:00 Pastor: Al major, Tel.: (02) 311 7974.

WATERLOO

WATERLOO BAPTIST FELLOWSHIP Worship 1400 at Swedish Church, Chaussee de Charleroi 2 across from McDonalds. Tel.: 065 225076.

ZURICH - SWITZERLAND

I.B.C of Zürich, Gheistrasse 31, 8803 Rüschlikon, Worship Services Sunday mornings 10:30. Tel.: 1-4810018.

ASSOC. OF INT'L CHURCHES

BERLIN

AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

FRANKFURT

TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (Across from Burger Hospital), Worship 11 a.m. w/Child care. Tel.: (069) 599478 or 512552.

GENEVA

EV. LUTHERAN CHURCH 20 rue Verdaine. Sunday worship 9:30, in German 11:00 in English. Tel: (022) 310.50.89.

JERUSALEM

LUTHERAN CHURCH of the Redeemer, Old City, Muristan Rd. English worship Sun. 9 a.m. All are welcome. Tel.: (02) 281-049.

PARIS

AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

VIENNA

VIENNA COMMUNITY CHURCH, Sunday worship in English 11:30 A.M., Sunday school, nursery, international, all denominations welcome. Dorotheergasse 16, Vienna 1.

ZURICH

INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2625525.

LEISURE DESTINATIONS

LEISURE DESTINATIONS

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FRIDAY

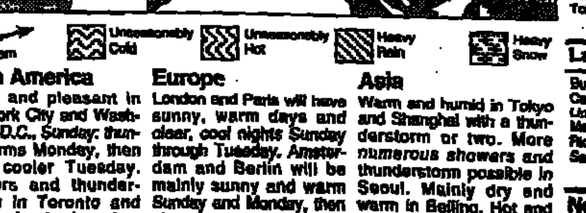
Europe and Middle East Location	Weather	High Temp. C/F	Low Temp. C/F	Water Temp. C/F	Wave Heights (Metres)	Wind	Speed (kph)
Cannes	sunny	24/75	14/57	19/66	1-2	N	15-30
Deauville	sunny	20/68	8/46	13/55	0-1	SE	12-22
Rimini	sunny	25/77	15/59	21/70	1-2	E	15-30
Malaga	sunny	30/86	20/68	20/68	1-2	NE	12-25
Cagliari	sunny	27/80	18/64	20/68	1-2	N	18-36
Faro	partly sunny	24/75	18/64	18/64	1-2	SE	15-25
Piraeus	partly sunny	26/79	16/61	20/68	1-2	N	20-40
Corfu	sunny	27/80	18/64	22/71	2-3	N	20-40
Brighton	partly sunny	22/71	12/53	12/53	0-1	SE	10-20
Ostend	sunny	19/66	9/48	12/53	0-1	E	10-18
Scheveningen	sunny	19/66	8/46	12/53	0-1	E	10-20
Sylt	partly sunny	18/64	9/48	11/52	0-1	NE	12-22
Izmir	partly sunny	28/82	18/64	21/70	1-2	N	20-35
Tel Aviv	sunny	30/86	23/73	25/77	1-2	SW	8-15
Caribbean and West Atlantic							
Barbados	partly sunny	32/89	24/75	29/84	1-2	SE	20-30
Kingston	partly sunny	33/91	26/79	29/84	1-2	SE	15-30
St.Thomas	partly sunny	33/91	26/79	30/86	1-2	SE	15-30
Hamilton	partly sunny	30/86	23/73	24/75	1-2	S	20-30
Asia/Pacific							
Penang	thunderstorms	31/88	25/77	30/86	1-2	SW	10-20
Phuket	partly sunny	33/91	26/79	31/88	1-2	SE	10-20
Bali	partly sunny	33/91	25/77	30/86	1-2	E	10-20
Cebu	showers	32/89	26/79	30/86	1-2	E	15-30
Palm Beach, Aus.	partly sunny	17/62	11/52	14/57	1-2	NE	15-25
Bay of Islands, NZ	sunny	20/68	15/59	17/62	1-2	NE	10-20
Shirahama	partly sunny	27/80	22/71	23/73	1-2	SW	15-30
Honolulu	partly sunny	31/88	24/75	26/79	1-2	NE	15-30

SATURDAY

Europe and Middle East Location	Weather	High Temp. C/F	Low Temp. C/F	Water Temp. C/F	Wave Heights (Metres)	Wind	Speed (kph)
Cannes	sunny	26/79	13/55	20/68	0-1	SE	15-25
Deauville	sunny	22/71	10/50	13/55	0-1	SE	10-20
Rimini	sunny	27/80	16/61	20/68	0-1	E	10-20
Malaga	sunny	29/84	21/70	20/68	1-2	SE	12-25
Cagliari	sunny	27/80	17/62	20/68	0-1	NE	12-25
Faro	sunny	27/80	17/62	18/64	1-2	SE	20-30
Piraeus	sunny	25/77	15/59	19/66	1-2	NE	15-25
Corfu	sunny	28/82	18/64	21/70	1-2	NW	15-30
Brighton	partly sunny	23/73	14/57	12/53	1-2	SE	15-30
Ostend	sunny	21/70	12/53	12/53	0-1	E	10-20
Scheveningen	sunny	20/68	10/50	12/53	0-1	E	10-20
Sylt	sunny	19/66	10/50	11/52	0-1	SE	10-20
Izmir	sunny	29/84	17/62	20/68	1-2	NE	15-30
Tel Aviv	sunny	31/88	23/73	25/77	1-2	SW	10-18
Caribbean and West Atlantic							
Barbados	partly sunny	32/89	25/77	29/84	1-2	SE	20-35
Kingston	showers	31/88	25/77	29/84	1-2	SE	15-30
St.Thomas	partly sunny	34/93	26/79	30/86	1-2	SE	18-35
Hamilton	thunderstorms	29/84	24/75	24/75	2-3	SW	25-50
Asia/Pacific							
Penang	partly sunny	32/89	25/77	30/86	1-2	S	10-18
Phuket	thunderstorms	34/93	26/79	31/88	1-2	S	15-25
Bali	partly sunny	34/93	25/77	30/86	1-2	E	12-22
Cebu	thunderstorms	31/88	25/77	30/86	1-2	SE	15-30
Palm Beach, Aus.	sunny	18/64	9/48	13/55	1-2	NW	15-30
Bay of Islands, NZ	sunny	22/71	16/61	17/62	1-2	NE	12-22
Shirahama	partly sunny	28/82	23/73	23/73	1-2	SW	12-25
Honolulu	partly sunny	30/86	24/75	26/79	1-2	NE	20-30

WEATHER

Forecast for Sunday through Tuesday, as provided by AccuWeather.



Jetstream · Unseasonably Cold · Unseasonably Hot · Heavy Rain · Heavy Snow

North America

Sunny and pleasant in New York City and Washington, D.C., Sunday; thunderstorms Monday, then much cooler Tuesday. Showers and thunderstorms in Toronto and Chicago Sunday into Monday; dry and cool Tuesday. Turning cooler along the West Coast with showers from Seattle northward.

Europe

London and Paris will have sunny, warm days and clear, cool nights Sunday through Tuesday. Amsterdam and Berlin will be mainly sunny and warm Sunday and Monday, then showers are possible Tuesday. Thunderstorms are possible in Rome and Athens early in the week.

Asia

Warm and humid in Tokyo and Shanghai with a thunderstorm or two. More numerous showers and thunderstorm possible in Seoul. Mainly dry and warm in Beijing. Hot and humid in Hong Kong with no more than a stray thundershower. Typical heat and humidity in Singapore and Bangkok.

Europe

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algarve	27/80	18/64	pc	28/82	19/66	pc
Amsterdam	20/68	12/53	pc	21/70	14/57	pc
Ankara	27/80	11/52	pc	27/80	13/55	pc
Athens	31/88	21/70	pc	30/86	20/68	pc
Barcelona	27/80	19/66	s	27/80	20/68	s
Belgrade	28/82	14/57	pc	26/79	14/57	pc
Berlin	17/62	8/46	s	18/64	8/46	pc
Brussels	22/71	13/55	s	22/71	13/55	pc
Budapest	27/80	16/61	pc	24/75	13/55	s
Copenhagen	17/62	7/44	pc	17/62	9/48	pc
Costa Del Sol	28/82	21/70	pc	29/84	22/71	pc
Dublin	21/70	12/53	pc	22/71	13/55	pc
Edinburgh	16/61	11/52	pc	17/62	12/53	pc
Florence	28/82	17/62	pc	28/82	17/62	s
Frankfurt	24/75	9/48	pc	19/66	9/48	pc
Geneva	26/79	16/61	pc	26/79	16/61	pc
Helsinki	15/59	7/44	pc	16/61	8/46	pc
Istanbul	27/80	18/64	sh	27/80	17/62	pc
Las Palmas	25/77	18/64	s	25/77	19/66	s
Lisbon	26/79	17/62	pc	26/79	19/66	pc
London	20/68	10/50	s	23/73	14/57	pc
Madrid	34/93	17/62	s	31/88	18/64	s
Milan	29/84	18/64	pc	29/84	19/66	s
Moscow	22/71	10/50	pc	19/66	9/48	pc
Munich	22/71	11/52	pc	22/71	11/52	pc
Nice	26/79	18/64	s	26/79	18/64	s
Oslo	14/57	8/46	pc	18/64	10/50	pc
Mallorca	28/79	21/70	s	26/79	21/70	s
Paris	22/71	11/52	s	28/82	15/59	pc
Prague	22/71	11/52	pc	19/66	8/46	pc
Reykjavik	13/55	11/52	r	14/57	7/44	sh
Rome	28/82	16/61	pc	29/84	18/64	s
St. Petersburg	17/62	4/39	pc	16/61	5/41	pc
Stockholm	14/57	6/43	pc	16/61	8/46	pc
Strasbourg	25/77	13/55	s	24/75	13/56	pc
Tallinn	14/57	8/46	pc	16/61	8/46	pc
Venice	27/80	19/66	pc	27/80	19/66	s
Vienna	20/68	13/55	s	21/70	12/53	s
Warsaw	18/64	7/44	pc	18/64	7/44	pc
Zurich	25/77	13/55	pc	25/77	13/55	pc

Oceania

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Auckland	14/57	8/46	s	15/59	8/46	pc
Sydney	17/62	11/52	sh	17/62	10/50	pc

Middle East

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Abu Dhabi	31/88	28/82	pc	32/89	28/82	pc
Beirut	28/82	19/66	s	30/86	22/71	s
Cairo	33/91	17/62	s	36/97	21/70	s
Damascus	36/97	13/55	s	31/88	17/62	s
Jerusalem	28/82	14/57	s	28/82	18/64	s
Luxor	39/102	17/62	s	43/109	22/71	s
Riyadh	39/102	26/79	s	39/102	24/75	s

Africa

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algiers	24/75	18/64	s	26/79	18/64	s
Cape Town	13/55	11/52	c	12/53	7/44	sh
Casablanca	26/79	18/64	s	24/75	16/61	s
Harare	22/71	8/46	c	24/75	11/52	c
Lagos	29/84	23/73	c	29/84	24/75	c
Nairobi	19/66	12/53	pc	21/70	11/52	c
Tunis	24/75	17/62	s	23/73	15/59	pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

Asia

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Bangkok	34/93	26/79	sh	34/93	26/79	pc
Beijing	32/89	21/70	t	30/86	21/70	c
Hong Kong	32/89	27/80	t	30/86	27/80	t
Manila	33/91	23/73	pc	33/91	24/75	pc
New Delhi	40/104	30/86	pc	42/107	32/89	pc
Seoul	30/86	19/66	pc	28/82	20/68	t
Shanghai	29/84	23/73	pc	31/88	23/73	pc
Singapore	33/91	23/73	pc	34/93	24/75	t
Taipei	31/88	23/73	c	32/89	23/73	pc
Tokyo	24/75	19/66	sh	24/75	18/64	sh

Latin America

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Buenos Aires	19/66	9/48	pc	16/61	4/39	pc
Caracas	31/88	25/77	pc	32/89	26/79	pc
Lima	18/64	16/61	pc	18/64	16/61	pc
Mexico City	24/75	13/55	t	24/75	12/53	pc
Rio de Janeiro	25/77	18/64	pc	25/77	18/64	pc
Santiago	17/62	3/35	c	16/61	1/34	pc

North America

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Anchorage	16/61	9/48	sh	18/64	9/48	pc
Atlanta	33/91	21/70	s	30/86	20/68	pc
Boston	29/84	19/66	t	26/79	14/57	pc
Chicago	29/84	14/57	s	27/80	15/59	pc
Denver	29/84	12/53	t	35/95	16/61	pc
Detroit	28/82	14/57	s	26/79	14/57	pc
Honolulu	28/82	23/73	pc	29/84	23/73	pc
Houston	34/93	22/71	s	34/93	23/73	pc
Los Angeles	26/79	17/62	s	27/80	18/62	s
Miami	31/88	24/75	t	32/89	24/75	t
Minneapolis	30/86	18/64	s	27/80	17/62	pc
Montreal	23/73	11/52	pc	23/73	11/52	pc
Nassau	31/88	24/75	t	32/89	24/75	pc
New York	32/89	18/64	pc	29/84	17/62	pc
Phoenix	42/107	27/80	s	42/107	28/82	s
San Fran.	21/70	12/53	s	21/70	11/52	pc
Seattle	21/70	11/52	s	22/71	11/52	pc
Toronto	24/75	14/57	pc	24/75	14/57	pc
Vancouver	22/71	12/53	pc	22/71	12/53	sh
Washington	32/89	19/66	s	29/84	17/62	pc

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Freemen Give Up, Ending Their 'Republic'

By Carey Goldberg
New York Times Service

JORDAN, Montana — The last 16 members of the Freemen anti-government group have surrendered to federal agents, ending one of the longest sieges by American law enforcement so peacefully that the surrender did not even disturb the cows grazing at the group's remote Montana ranch.

After 81 days of resistance, the members of the far-right group simply climbed into government vans Thursday that were to take them to Billings, Montana, to face the legal system they rejected when they declared that U.S. law did not apply on their land.

Fourteen of the 16 will face charges, some federal, said U.S. Attorney Sherry Matteucci. Members of the group are accused of threatening federal officials and of defrauding banks and businesses of more than $1.8 million.

Top federal officials said the resolution of the standoff without bloodshed vindicated the new crisis-management policy, which had been introduced following the bloody 1993 assault on the Branch Davidian compound near Waco, Texas. That policy emphasizes negotiations and accepting help from outside the government in sieges.

"The prudent thing was to put patience above the risk of bloodshed," said the FBI director, Louis J. Freeh. "A strategy from Day 1 of patient, honest and persistent attempts at negotiation ultimately prevailed."

The demise of the small republic the Freemen had christened Justus Township also delighted the group's long-suffering neighbors, many of whom saw the anti-tax protesters with their white supremacist beliefs as parasites and threats.

"My God, it's finally over!" exclaimed Ruth Coulter, a postal carrier and rancher. "And nobody got killed! Wonderful. Wonderful!"

The surrender took the form of a car pool in which members were taken to the gate of the sprawling ranch, where they met two FBI passenger vans. None appeared to be handcuffed or in distress.



Douglas C. Pizac/The Associated Press
FBI agents leaving the area in Montana where the 81-day standoff with the anti-government Freemen took place.

In recent weeks, as the latest of the negotiators continued talks with the Freemen, the FBI worked at making life steadily more uncomfortable for the group, shutting off its electricity and blocking its cellular phone traffic.

The tactic appeared to work, Mr. Freeh said; suddenly time was on the FBI's side. Last week, a family of four left, including two children, and this Wednesday the last remaining minor departed the compound. At the same time, the negotiations became more intense, and Edwin Clark, a Freemen who had been acting as go-between, took a proposed surrender agreement to the group's jailed spiritual leader, LeRoy Schweitzer, in Billings.

When the Freemen finally left, they were escorted individually by Mr. Clark out of their vehicles and into the FBI's hands. Mr. Clark was also reported to be responsible for keeping an eye on the Freemen's documents, which they had negotiated hard to get put into the custody of a Montana legislator who had served as mediator.

POLITICAL NOTES

Dole Departure Puts Wage Bill in Doubt

WASHINGTON — An increase in the federal minimum wage, considered a sure thing as recently as last month, has been thrown into jeopardy with the departure of Bob Dole from the Senate, according to senior administration officials and some Democrats.

Mr. Dole, who was the Republican leader before he left the Senate to focus on his presidential campaign, opposed the Democrats' proposal to increase the minimum wage to $5.15 an hour from $4.25, the first increase in seven years. But he expressed willingness in late May to move ahead with a vote. The House approved the proposal on May 23, by a vote of 281 to 144, and if the measure had been brought to the Senate floor for a vote it would almost certainly have passed and been signed into law by President Bill Clinton.

But the Kansas Republican never scheduled a vote. Now the bill's fate in the Senate rests with Trent Lott of Mississippi, the new majority leader and an even bigger foe of the minimum-wage increase than Mr. Dole.

Mr. Lott said Wednesday he was not sure when, or if, a vote on the minimum wage would come up. But his top deputy in the new Republican hierarchy has voiced strong opposition to the measure. "I'm still not in favor of it," said Senator Don Nickles of Oklahoma, the new majority whip, contending the increase would cost jobs.

But the Senate's top Democrat vowed this week to bottle up the Senate until the chamber approved the wage increase. "We will again be offering minimum wage to every bill that comes before the Senate unless we have a guarantee or the assurance that this matter is resolved successfully," said Senator Tom Daschle of South Dakota, the Democratic leader. *(NYT)*

Views About Tobacco Fire Up Clinton Team

WASHINGTON — President Bill Clinton's re-election campaign on Friday accused Bob Dole of being in the pocket of tobacco interests after Mr. Dole said smoking was not always addictive.

The Clinton campaign released a two-page fact sheet listing $368,350 that Mr. Dole, the expected Republican nominee, had accepted from tobacco interests over the past 16 years, either for his various political campaigns or his political action committees.

"Why does Bob Dole think cigarettes are not addictive? Follow the money," the fact sheet said.

Campaigning in the tobacco-growing state of Kentucky, Mr. Dole had attacked efforts by the Food and Drug Administration to regulate nicotine as a drug. He said he did not believe tobacco was addictive for all who used it.

"For some people, smoking is addictive; others, they can take it or leave it. I hope children never start," he said.

"I think the more serious question is whether or not the FDA has jurisdiction," Mr. Dole said, adding that defining cigarettes as a drug means "you are in effect banning cigarettes and the production of tobacco." *(Reuters)*

President's Lead Shrinks to 6 Points

WASHINGTON — Bob Dole has slashed President Bill Clinton's lead to only 6 percentage points, according to a poll released Friday. The CNN/Time magazine poll gave Mr. Clinton the support of 49 percent of respondents and Mr. Dole 43 percent. A month ago, Mr. Clinton led 56 to 34 percent. The poll had a margin of error of plus or minus 3.5 percent.

The poll was the first taken since Mr. Dole resigned his Senate seat Tuesday. It may also reflect the impact of the Whitewater case and the latest White House scandal over the improper gathering of more than 400 personal FBI files, including those of some prominent some Republicans. *(Reuters)*

Quote / Unquote

Louis J. Freeh, the FBI director, on the peaceful end to the Montana Freemen standoff: "The message that comes out of this is very clear to everybody. If you break the law, the United States government will enforce the law. It will do it fairly but firmly." *(AP)*

Away From Politics

• **The Southern Baptist Convention adopted a resolution calling for efforts to convert Jews** to Christianity. The domestic missionary agency of the 15.6-million-member denomination also appointed a missionary to undertake such work. Early reaction to the resolution, adopted at the denomination's annual meeting in New Orleans, suggested that it was certain to strain relations with Jewish groups. *(NYT)*

• **The number of cases of Lyme disease declined** in 1995, with 11,603 cases of the tick-borne disease reported, down from 13,043 in 1994, the federal Centers for Disease Control and Prevention in Atlanta reported. *(AP)*

• **A plane bound for Europe with former President George Bush and Colin L. Powell,** the former chairman of the Joint Chiefs of Staff, made an emergency landing in Maine. The chartered SwissAir Boeing 757 landed at Bangor International Airport after a warning light indicated a problem with the left engine, airport officials said. *(Reuters)*

• **A jury in Miami convicted a man in the 1993 murder of a German tourist,** Uwe-Wilhelm Rakebrand. Recondall Wiggins was found guilty of first-degree murder and attempted robbery. He faces the death penalty or life in prison. Two other men pleaded guilty in the killing in November. They are serving life sentences. *(AP)*

Meditation, Prayer and A Confession

By Joe Sexton
New York Times Service

NEW YORK — Late at night, in a second-floor interview room at the police station on East 67th Street in Manhattan, John J. Royster, 22, quietly announced that he wanted to pray.

It had been nearly 48 hours since the murder of a woman on Park Avenue. It had been more than a week since the brutal assault on a woman in Central Park. The exhausted detectives figured they had nothing to lose.

Mr. Royster prayed, meditated, and then, detectives said, he made his next announcement: "O.K., I'm ready."

Implicating himself in one horrific crime after another, Mr. Royster, investigators said, admitted killing Evelyn Alvarez, 82, outside her Park Avenue dry-cleaning store, and setting upon a 32-year-old woman in Central Park last week. He reportedly said the sexual assault of a woman in Yonkers and the savage beating of a woman at the midtown heliport were his work, too.

Thursday night, Mayor Rudolph Giuliani made much of the abilities of the city's police force, praising their relentlessness and expertise. But what the mayor described as "a stunning achievement" was set in motion by a thoroughly ordinary act of law enforcement.

For it was fingerprints found at the scene of the Park Avenue murder that first led detectives to Mr. Royster. The prints had been taken after his lone reported previous crime, jumping a subway turnstile less than two months ago.

The aggressive enforcement of such minor crimes — fare-beating, disorderly conduct, panhandling — has been at the core of the police department's efforts to crack down on low-level offenses under Mr. Giuliani.

The operating theory is that serious criminals commit modest crimes as well as brutal ones; arrest people for the minor crimes and there will be links to more heinous ones.

Mr. Royster is expected to be charged with first-degree murder, raising the possibility he could face the death penalty.

U.S. Moves Toward DNA Data Bank

Justice Department Says Information Also Can Exonerate the Innocent

By Fox Butterfield
New York Times Service

NEW YORK — Issuing a report Friday that documents the power of DNA testing to exonerate the innocent, the Justice Department said it would step up efforts to make such tests as common as fingerprinting and would help accelerate the construction of a national DNA data bank.

The report, the most comprehensive undertaken, found that 28 men convicted of rape have been freed from prison nationwide in the past few years after DNA testing proved they were innocent. The suspects, some of whom had been sentenced to death, were convicted on the basis of faulty eyewitness testimony or poor work by the police or investigators.

The Justice Department report grows out of the Clinton administration's 1994 Crime Control Act, which in a little-noted provision called for the establishment of a nationwide DNA data bank, like the current national system for fingerprints.

In the two years since then, 42 states have passed laws requiring prison inmates to give blood or saliva samples for a "DNA fingerprint." Of these, 26 states have started setting up DNA data bases that eventually will be linked by the FBI into a nationwide network.

So far, these fledgling data banks have scored 29 "hits," providing the police with the name of a suspect in cases where they had no leads other than DNA evidence, like semen found on the victim in the case of rape, according to Justice Department statistics.

In another 47 cases the data banks uncovered no name but did match the DNA taken from other unsolved sexual assaults, suggesting that a serial rapist was at work in those cases.

"We have the potential within our grasp of a technology that in routine investigations will identify suspects as reliably as fingerprints," said Jeremy Travis, director of the National Institute of Justice, the research arm of the Justice Department, which commissioned the new report.

Because DNA testing has the power to "both exonerate the innocent and identify and convict the guilty," Mr. Travis said, "the net result is the criminal-justice system will be fairer and more effective." At present the use of DNA evidence in much of the nation is limited because of the high cost of tests and the time needed to complete them. Defense lawyers and civil liberties groups also have been able to limit the use of DNA tests by arguing that they are inaccurate or an invasion of privacy.

Mr. Travis said scientists have assured the Justice Department that within five years the average cost of a DNA test can be lowered from roughly $700 to less than $10 and the time reduced from weeks to hours or minutes.

Despite the widespread opposition to use of DNA evidence in criminal trials, some experts who are usually critical of the government said they applauded the Justice Department's new study and its effort to improve the quality of crime laboratories around the United States.

Landmark Asylum Ruling

Togo Woman, Fearing Ritual Mutilation, Wins Appeal

By Roberto Suro
Washington Post Service

WASHINGTON — The highest immigration court in the United States has ruled that a 19-year-old West African woman should be granted political asylum because she feared the bloody but traditional practice of genital mutilation by members of her tribe.

The ruling marked the first time that a court with national jurisdiction recognized the practice of female genital mutilation as a form of persecution.

In an 11-to-1 decision, the Board of Immigration Appeals found that Fanziya Kasinga of Togo met the standards of U.S. law by showing that she had a well-founded fear of suffering genital mutilation. Previous rulings by immigration judges were divided on the issue.

Miss Kasinga fled her homeland in 1994, days after she said she was forcibly married to an older man and prepared for circumcision in accordance with tribal custom. She arrived at Newark airport with a false passport and was jailed while her asylum case progressed. After being denied asylum by an immigration judge in Philadelphia, she pursued an appeal and was released from jail two weeks before the board heard her case.

Therapy Is Granted Legal Protection

By Joan Biskupic
Washington Post Service

WASHINGTON — In a ruling recognizing contemporary society's reliance on therapy, the Supreme Court has ruled that communications between a psychotherapist and a patient are confidential and need not be disclosed in federal trials.

Emphasizing that effective counseling depends on confidentiality and trust, the 7-to-2 decision said conversations between a policewoman, who had shot and killed a suspect, and her therapist should be kept out of a civil rights case brought by the victim's family.

"Like the spousal and attorney-client privileges, the psychotherapist-patient privilege is rooted in the imperative need for confidence and trust," Justice John Paul Stevens wrote for the majority. He said that a patient must be "willing to make a frank and complete disclosure of facts, emotions, memories and fears."

He was joined by Justices Sandra Day O'Connor, Anthony M. Kennedy, David H. Souter, Clarence Thomas, Ruth Bader Ginsburg and Stephen G. Breyer.

Justice Antonin Scalia, who dissented, said such encouragement of psychoanalytic counseling has a "purchase price: occasional justice."

He said reliable evidence would be kept from trial under the court's new rule. Justice Scalia was joined in his dissent by Chief Justice William H. Rehnquist.

The court said the psychiatric privilege extends to confidential communications with licensed social workers.

The American Psychological Association and other mental health groups hailed the ruling, as did the National Association of Police Organizations.

"This is of far-reaching importance to law enforcement," said Gregory E. Rogus, who represented the police officer, Mary Lu Redmond of Hoffman Estates, Illinois, near Chicago. "There has been an issue over whether police departments can and should force their officers to go through counseling. This will have an impact on officers seeking help when they need help."

In June 1991, Ms. Redmond responded to reports of a fight in an apartment complex in Hoffman Estates. There she supposedly saw Rickey Allen holding a butcher's knife and running after another man. She shot and killed Mr. Allen.

His brothers and sisters, who witnessed the episode, testified that Mr. Allen was not armed. The family then sued Ms. Redmond, Hoffman Estates and its police department., alleging that she had used deadly force in violation of Mr. Allen's civil rights.

The family sought testimony and notes of a social worker Ms. Redmond visited after the shooting. When the therapist refused to reveal the substance of the counseling sessions and notes, the judge told the jurors to presume that the withheld notes would be unfavorable to Ms. Redmond. The jury awarded the family $545,000.

The Seventh U.S. Circuit Court of Appeals threw out the verdict, saying that all states recognize some psychotherapist-patient privilege.

AMERICAN TOPICS

Arrogance, Bad Scheduling; The Doctor Is Running Late

Nancy Miller of Winter Park, Florida, underwent surgery recently. Of the five visits she had to make to a physician, her shortest wait was 1 hour and 50 minutes.

"I finally asked the receptionist about it, and she said they always ran late like that. I was astounded," Ms. Miller recalled.

Her experience, The Orlando Sentinel reports, was unusual only in its degree. Long waits are routine in doctors' offices around the country. On average, including time in the waiting room and the exam room, they run from 30 to 60 minutes.

Doctors acknowledge the problem but they say long waits are unavoidable. People with urgent problems come in with little notice; patients with appointments for one problem ask the doctor about something else; patients themselves show up late.

Consumer-health advocates disagree, blaming much of the problem on poor scheduling and downright arrogance among physicians. Physicians do what airlines do, says Mike Donio of the Peoples Medical Society, a consumer group in Allentown, Pennsylvania. They double-book, deliberately scheduling more patients than they can handle so that even if patients fail to show up, the doctor is never idle.

In effect, says Barry Render, a business management specialist, doctors make patients wait because they can get away with it.

"There is software that makes it easy to manage people and to schedule patients," he says. There's no excuse any more for delays. Patients should complain, Mr. Render says; doctors will get the message.

Short Takes

Avocado growers in Southern California, who produce 94 percent of the nation's crop, are fighting thieves who steal millions of dollars worth of their output each year. Twenty-five reserve sheriff's deputies on off-road motorcycles now cruise the 26,000 acres (10,000 hectares) of avocado orchards in San Diego County on search-and-deter missions, reports the Los Angeles Times. "The message we want to get across is this," says Lieutenant Dave Herbert of the police. "If you're a potential crook, this is not a wise thing, a safe thing, to do."

After four years of talks, seven Western states and four Indian tribes have reached agreement on a plan to curb air pollution over the Grand Canyon and other parks on the Colorado Plateau. Governors and tribal leaders say that their strategy, while setting a modest goal of eliminating 10 percent of haze in the area over three decades, is remarkable considering the anti-government, anti-regulation fervor in parts of the region. Among other things, the plan calls for cutting sulphur emissions from power plants, hydrocarbon emissions from cars and increasingly expanding solar power and wind power.

Others would disagree, but Consumer Reports has rated two of America's cheaper beers — Old Milwaukee and Stroh's — as its best-tasting. The magazine, on its first bold foray into beer-tasting, found the best craft ales, those made by local microbreweries, to be Samuel Adams Boston Ale and Sierra Nevada Pale.

Beverly Hills? Try again. Malibu? Sorry. The richest town in America is Rolling Hills, California, on Palos Verdes Peninsula. Average household income there is $307,500, according to Worth magazine. Cost of the average house, $587,900. Like Rolling Hills, with a population of 1,748, most towns high on the magazine's list of the 300 richest communities are small. Beverly Hills, which ranked 83rd in wealth, was one of the largest of the towns on the list. The state with most towns on the list was New York, with 81.

International Herald Tribune

Dining Out

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Baghdad Offers to Allow Joint Arms Inspections

Initial Reaction at the UN Is Negative

Reuters

UNITED NATIONS, New York — Iraq's deputy prime minister, Tariq Aziz, offered a solution on Friday to end the four-day crisis with United Nations arms experts, saying that a senior UN disarmament official should conduct inspections with him.

Iraq has barred inspectors from the UN Special Commission from four military bases and other sites where they suspected clandestine arms or documents were hidden. The commission is in charge of ridding Baghdad of weapons of mass destruction.

Hours before Mr. Aziz made his offer in a letter to the Security Council and the Special Commission, diplomats reported that Iraqi authorities had prevented a UN surveillance helicopter from flying over the disputed sites. "They trained their guns on it but did not fire," a diplomat said of the Baghdad air defense system.

Initial reaction to Mr. Aziz's proposal was negative. "We don't like in principle that they dictate how the Special Commission conducts inspections," a Security Council envoy said. A U.S. official said that Iraq was "no longer saying 'never' and trying to negotiate the terms." But the official, too, said the proposal was unacceptable in its current form.

Secretary of State Warren M. Christopher said the United States would be firm in insisting that Iraq allow UN teams to inspect suspected weapons sites, but he stopped short of saying what steps Washington would take if Baghdad did not comply.

Mr. Aziz said that Rolf Ekeus, the chairman of the commission, accompanied by three of his experts, should conduct a joint inspection with him at disputed sites. Mr. Ekeus intends to leave for Baghdad on Monday, arriving on Wednesday, but not necessarily to conduct inspections, his aides said.

"If the site which you wish to enter is one of the sites which we consider related to national security, you and I shall enter the site together," Mr. Aziz wrote.

But he called for Mr. Ekeus to assemble "all the information it has about the allegations of hiding and about the sites alleged to have proscribed material" and send a copy of this to all 15 Security Council members. The purpose of this report was "to acquaint them with the suspicions of the commission and the sites designated for inspection," he wrote.

The United States and Britain have asked the Security Council to declare Iraq in violation of the cease-fire that ended the 1991 Gulf War. But some envoys fear such a move, which could establish a legal basis for military action. Russia and others have raised objections to language in the statement.



Faleh Kheiber/Reuters

A UN inspector keeping a vigil in Baghdad on Friday outside a base of an elite Republican Guard detachment.

Russia Offers NATO Its Cooperation

But Grachev Opposes Expansion of Alliance

Compiled by Our Staff From Dispatches

BRUSSELS — The Russian defense minister said Friday that his country was ready for closer political and military relations with NATO, but made it clear that Moscow objected strongly to plans for expanding the alliance into formerly Communist Europe.

The defense minister, General Pavel S. Grachev, told his opposite numbers in the North Atlantic Treaty Organization that Moscow wanted to upgrade relations in a number of areas and he indicated a willingness on the part of his government to commit troops to any new peace force in Bosnia.

"We are ready to develop relations with a non-enlarged alliance in the interests of pan-European security," he told the 16-nation coalition.

He proposed cooperating with NATO on joint weapons development, anti-proliferation measures, disarmament, ballistic missile defense, countering terrorism and curtailing the drug traffic.

Under an agreement reached Friday, senior Russian military officers will be permanently posted at major NATO commands while allied generals will work at Russian military headquarters.

A senior Russian officer will remain posted at NATO's military headquarters outside Mons, Belgium, and at each of the alliance's three regional commands responsible for the northern, central and southern sections of Western Europe.

In return, the Russians agreed to a proposal by Defense Secretary William J. Perry of the United States that senior NATO officers be assigned permanently to the Russian general staff in Moscow.

Overall, one official said, "The message was: There are still differences on enlargement, but let's agree to differ. It is not going to stop other cooperation."

In a meeting with NATO foreign ministers last week, the Russian foreign minister, Yevgeni M. Primakov, emphasized Moscow's opposition to the presence of Western forces near Russia's borders. Western officials said at the time that Mr. Primakov did not otherwise appear to object in principle to NATO's enlargement. NATO expansion has become an issue in the Russian presidential election Sunday, with the Communist and nationalist candidates hammering at President Boris N. Yeltsin for being too conciliatory to the West.

After the meeting with General Grachev, Mr. Perry said the decision to start institutionalizing Russia-NATO links, something unthinkable only a few years ago, had crowned a "remarkable day." *(Reuters, AP)*

Nuclear Agency Seeks Wider Powers

Compiled by Our Staff From Dispatches

VIENNA — The International Atomic Energy Agency urged Friday that its inspectors be granted greater powers to detect illicit nuclear material.

The board of governors of the United Nations agency decided to form a working group to draft rules giving inspectors rights to more information and better access to nuclear sites.

The agency, which seeks to ensure that fissionable materials produced in countries that have no nuclear weapons are not diverted to make arms, currently conducts inspections only at nuclear installations that its 135 member countries themselves declare.

But over the last five years, that procedure has kept inspectors out of "undeclared" installations in Iraq and North Korea that are thought to be used for developing nuclear weapons.

"The board acknowledged that additional information, including the taking of environmental samples and increased physical access, would strengthen the agency's ability to detect undeclared nuclear material and activities," the agency said.

The United States has been lobbying for two years to give the agency increased powers to collect more detailed information from both declared and undeclared sites.

Most member nations supported the United States. But Washington had to win over Germany and Japan, which also sit on the agency's 35-member board of governors.

The director-general of the agency, Hans Blix, welcomed the call, particularly with reference to Iraq, where nuclear inspectors have repeatedly been denied access to suspect sites. *(Reuters, AP)*

Doctor Tries New Surgery For Hearts

By Lawrence K. Altman
New York Times Service

NEW YORK — Working under primitive conditions in a small rural hospital in Brazil, a surgeon has developed a bold new operation for heart failure that, supporters of the technique say, promises ultimately to allow tens of thousands of people to resume daily activities, stop taking many medications and avoid risky and costly transplants.

The operation defies conventional medical wisdom because it removes living tissue from the heart. The size of an enlarged heart is reduced by cutting out a large slice of living muscle from the main pumping chamber, which is then stitched together while the patient's heart is beating.

The surgeon, Dr. Randas Batista, says he has often had dramatic success in performing the operation on more than 300 patients since 1994 near the city of Curitiba.

Yet, established medical groups have rejected Dr. Batista's unconventional attempts to report the cases at medical meetings. His only promotions of the procedure are a research paper in Portuguese and a taped demonstration in an American video journal.

Several heart surgeons say they have come away amazed after watching him perform the operation in Brazil or during visits to U.S. hospitals. After overcoming their skepticism, several surgeons have performed a small number of the operations at hospitals in the United States, Britain, Italy and other countries.

Now, amid a mixture of excitement and caution, surgeons are planning studies at Buffalo General Hospital in New York, the Cleveland Clinic in Ohio, the Yale-New Haven Hospital in Connecticut, the Brigham and Women's Hospital in Boston and in some other places.

The heart is basically a pump. Experts say that Dr. Batista's operation makes a failing heart a better pump by permitting the left ventricle, its main pumping chamber, to contract more effectively.

The operation is "mind-boggling" and "one of the most important developments in heart surgery in years," Dr. Tomas Salerno, chief of cardiovascular surgery at Buffalo General Hospital, said during an interview.

The two surgeons grew up in neighboring towns in Brazil but did not meet until Dr. Batista trained under Dr. Salerno in Toronto from 1978 to 1982.

TURKEY: *Chaos Reigns and Observers Wonder How It Went So Far Wrong, So Quickly*

Continued from Page 1

history of the 73-year-old Turkish republic, throwing down a challenge so daunting that it has effectively paralyzed Turkey's fractured political center.

Now, after the collapse of another weak government, Necmettin Erbakan, leader of the Islamic Welfare Party, is once again coaxing his opponents into a partnership that each one, at some point in the past, has denounced as a dangerous precedent for Turkey's secular state.

This time he comes to the table with an even stronger political hand: Recent municipal by-elections showed the Welfare Party getting more than 33 percent of the vote, compared with the 21.6 percent it won in the December national election.

But his best card is the dismal performance of Turkey's two main center-right politicians — Mrs. Ciller and Mesut Yilmaz, her foe whose three-month-old government finally sank last week.

[Mrs. Ciller said that coalition talks she held on Friday with the Islamists had been "useful" but that there was no sign of an imminent government deal, Reuters reported. She said her party would assess a possible deal with Welfare at a later date, but that it would make no concessions to the Islamists on Turkey's strict secular system.]

The poor performance of Mr. Yilmaz and Mrs. Ciller, coupled with three continuing investigations into Mrs. Ciller's personal finances, has only reinforced widespread disgust with Turkey's mainstream political parties and increased the popularity of the Welfare Party.

As the political crisis drags on, the establishment's fear of the Welfare Party is slowly ebbing. Business leaders have signaled a new willingness to consider a government that includes the Welfare Party, and even the powerful Turkish military, which vigorously opposes any erosion of the secular state, has sent at least one conciliatory message.

But there are still deep doubts about the Welfare Party among Turkey's Westernized elite, doubts that put their democratic ideals squarely in conflict with their dedication to secularism.

"If the Welfare Party becomes a coalition partner, as a democrat I have to respect it, but it could be very painful," one journalist said. "It would be very sad after 73 years to surrender the Turkish republic to an Islamic party."

Political experts differ about the Welfare Party's long-term ambitions, and its ability, within a coalition government, to change Turkey's position as a staunch member of the Western alliance.

But few people doubt that the Welfare Party's political influence is on the rise, whether they make it into this government or wait for new elections to improve their standing in Parliament.

■ 55 Rebels Slain, Turks Say

Turkish troops backed by air power have killed 55 Kurdish rebels in two days of fighting that spilled over the mountainous border into northern Iraq, Reuters reported Friday from Diyarbakir, Turkey, quoting security sources.

A high security official said troops had pushed a few kilometers into Iraq in the hunt for separatist guerrillas on Thursday and Friday, but later withdrew.

FORE: *Going Into the Hole*

Continued from Page 1

leave. The annual fee is $750, plus about $120 every time they play 18 holes.

Those who score a hole-in-one can choose what gifts they will give and how much to spend. But being stingy with hole-in-one gifts is an unforgivable faux pas.

At the Abiko club, the names of those who hit holes in one are engraved on a big board in the lounge.

Masakuza Nomura's name is there for an uninsured 1976 hole-in-one that cost him thousands of dollars. Mr. Nomura chose to have 150 commemorative bath towels made, with his name, the date of his hole-in-one (Nov. 21, 1976) the hole (No. 15) and the club he used (a 6-wood).

"I quickly got insurance, but in 20 years I've never gotten another hole-in-one," Mr. Nomura said.

Nobody knows the perils of the hole-in-one better than Masatoshi Hamaguchi, 66, who in the last 30 years has scored nine of them, but has had insurance for only the last two.

"Every time, I figured it couldn't happen again," Mr. Hamaguchi said.

Russian Campaign Comes to a Flickering Halt

By Alessandra Stanley
New York Times Service

MOSCOW — After a flurry of last-minute political advertisements, the Russian presidential campaign came to an abrupt halt at midnight Friday. Until the polls close at 11 P.M. Sunday night, candidates are forbidden to make speeches, no new posters or banners can be mounted and all commercials on radio and television must be pulled.

Instead, a weeklong anti-Communist television extravaganza will reach its peak. "Burnt By the Sun," the harrowing 1995 Oscar-winning film by Nikita Mikhalkov about Stalin's terror, will be shown at 6 P.M. election eve on ORT, Russia's largest network.

Some of Saturday's other TV highlights: "In Order to Survive," a 1992 thriller about the ties between organized crime and the Communist party on ORT. RTR, the second-largest state-controlled network, will show "Flight," a movie based on Mikhail Bulgakov's famous novel about atrocities during the Revolution. NTV, the privately owned channel, will show a 1993 bleakly satirical film called "Stalin's Testament."

Television, state and privately owned, has been the most critical weapon of Mr. Yeltsin's campaign. Even after his ads cease, the incumbent is intent on squeezing his message into every last second on the airwaves he virtually controls.

But the tone of Mr. Yeltsin's posters and political commercials — serenity and stability — clash with the perception of many voters, who are getting ready to vote in an atmosphere of dark anxiety and alarm.

In recent days, a bomb went off in the Moscow subway, the deputy mayor of Moscow was seriously wounded in an assassination attempt and the mayor of Zhukovsky, a small town near Moscow, was murdered. Worried about other bombs and civil unrest, security all over Moscow is iron-tight.

As they made their final pitches Friday night, all the candidates stressed calm and quiet strength. Gennadi A. Zyuganov, the Communist candidate, took advantage of his remaining free television time to reassure viewers that he would not take the country back to Soviet rule. In one advertisement, shown on the St. Petersburg channel, Mr. Zyuganov staged an "interview" in which he calmly answered questions about confiscating private property and reopening the gulag. "They are just trying to scare people," he replied. "All those dachas and garden plots, people got them thanks to Soviet power. We're not going to take them away, we're going to try to lower rents."

A few minutes later on ORT, the only network that reaches all across Russia, Mr. Zyuganov chose to have a famous movie director make his final campaign pitch on his behalf. Stanislav Govorukhin, the director, an ardent nationalist, sat in an armchair and spoke scornfully of the pop stars, actors and directors who have campaigned for Mr. Yeltsin. "They do it for the money," he said jeeringly. "Shameless to use state money in this kind of campaign."

"The Yeltsin campaign followed, with a reply by the pro-Yeltsin director Mr. Mikhalkov, who spoke about the "dehumanization" of Communist rule while the screen flicked between black and white images of Stalin and hysterical Soviet crowds.

The popularity of Alexander Lebed, the Afghan War hero and former general who is running as a law-and-order patriot, has been rising in the latest public opinion polls. Friday night, he walked across a verdant, open field in an ad and spoke sternly about the "bribery and corruption" that have undermined economic reform and placed a "criminal nomenklatura" in charge of the country.

In a granting of equal time that has been quite rare on state television, General Lebed was interviewed at length on ORT Friday night on the highly rated talk show Vzghlad.

General Lebed has been a harsh critic of Mr. Yeltsin, but behind the scenes he has been courted by the president's men, who are worried that the ultranationalist Vladimir V. Zhirinovsky could make a deal with Mr. Zyuganov after the first round and hope to enlist General Lebed. On Friday night, in his hometown of Yekaterinburg, Mr. Yeltsin hinted that General Lebed could someday be his political heir. He told reporters that his successor is among the current crop of rivals, and then recited a Lebed campaign slogan, "I know such a man."

BOSNIA: *Agreement Reached on Arms*

Continued from Page 1

ing came over the wording used to describe the Bosnian Serbs. They insisted on being designated as a "party" in the accord.

But the Sarajevo government said that the ethnic Serbs should be called an "entity." The term is consistent with the references to the Serbs in the Dayton peace accord, which designated two entities — Serb and Muslim-Croat — as part of a united Bosnia. Under heavy U.S. pressure, the wording was retained.

In the case of Serbia, as well as Serb-held Bosnia, many heavy weapons will have to be destroyed.

But the agreement permits the Bosnian Muslims and Croats, nominal allies in a joint federation, to acquire some heavy weapons to reach parity with the Bosnian Serbs. The Muslim-Croat federation is scheduled to receive up to $98.4 million worth of U.S. automatic weapons, tanks, armored vehicles and helicopters this year.

The U.S. government is also attempting to find donors to provide the federation with a total of $800 million in training and equipment, but has so far raised about $200 million for the program. Many European states object to the U.S. proposal, saying any infusion of weapons into the region will only help kindle another conflict.

The Dayton peace agreement called for an arms-control accord to be reached by June 6 or for quotas to be accepted. International monitors will carry out verification inspections, making the quotas easier to enforce, negotiators said. The monitoring teams will have representatives from the five parties.

The agreement limits rump Yugoslavia to 1,025 battle tanks, 850 armored combat vehicles, 3,750 pieces of artillery, 155 combat aircraft and 53 attack helicopters, forcing Belgrade to reduce its holdings by about 25 percent.

Croatia will be permitted 410 battle tanks, 340 armored combat vehicles, 1,500 artillery pieces, 62 combat aircraft and 21 attack helicopters. The federation of Bosnia-Herzegovina will be allowed the same total numbers as Croatia.

The Bosnian Serbs will be permitted 137 battle tanks, 113 armored combat vehicles, 500 artillery pieces, 21 combat aircraft and 7 attack helicopters.

The Bosnian Serbs, who now have about 400 tanks and more than 1,000 pieces of heavy artillery, will make the heaviest cuts.

"There is a lot of outdated equipment in the Serbian and Bosnian Serb arsenals," said a senior Western military official. "So some of what the Serbs and ethnic Serbs will get rid of is junk. They have little money to acquire new weapons, so from their point of view it is better to accept limits, knowing that the Croats and the Muslims, who have donors ready to assist them, must also accept limits."

The Vote in Russia



The main presidential candidates are, Boris Yeltsin (left) and Gennadi Zyuganov (right). Others in the race are Vladimir Zhirinovsky, Grigori Yavlinsky, Alexander Lebed, Svyatoslav Fyodorov, Mikhail Gorbachev, Martin Shakkum, Vladimir Brynzalov and Yuri Vlasov.

Winning
A candidate must win more than 50 percent of the vote to be elected outright. If none of the 10 candidates succeeds in the first round, as seems likely, a runoff between the two top candidates is to be held within 30 days.

Voters
About 106 million people are registered voters. Voting age is 18.

Polling Stations
Some 93,500 polling stations across 11 time zones will be open from 8 A.M. to 10 P.M.

Results
The Central Election Commission will begin releasing partial preliminary results after the last polls close, at 11 P.M. Moscow time (1900 GMT).

Source: AP

RUSSIA: *Voters Face a Stark Choice on the Country's Direction*

Continued from Page 1

and the most influential men who surround him deeply resent those influences and are determined to curb them.

Mr. Yeltsin has dared to confront and speak of the ugliest truths of the Soviet past — the terror and lies and persecutions. Mr. Zyuganov and his stalwarts remain defiantly, angrily in denial.

But pared to its essentials, the race has been about how the state and its people will relate to each other. Mr. Yeltsin, partly making a virtue of necessity, has described the state's role in more modest terms than any previous Soviet or Russian leader. In cautious and occasionally inconsistent terms, he has promised people that their lives will be more free, or at least less encumbered by Moscow's hand, than any previous generation of Russians has known.

Mr. Zyuganov, on the contrary, holds out the promise of *derzhava* — the great state revived, a society in which the government's leading role in all matters will be unquestioned and assumed.

To many or most Russians, Mr. Zyuganov's vision is fundamentally a restoration of the most basic fact of the past — state supremacy. And that is both its appeal and its problem.

"I can't think of an election in the last 10 years that's meant more in terms of the future of a country," said Mike McFaul, a Stanford University expert on Russian politics. "It's a fundamental choice."

Sharp though that divide between the candidates and the voters undoubtedly is, what has been lacking over four months of the Russian presidential campaign is any attempt by either Mr. Yeltsin or Mr. Zyuganov to tell Russian voters where they are headed, or how to get there.

Mr. Yeltsin's campaign, by quite conscious design, has eschewed any sweeping descriptions of the future, which in any event would ring hollow after the tumult of recent years.

His published program does not even mention privatization, arguably the most profound social and economic phenomenon underway in Russia in this decade.

Rather, the Russian leader has depicted himself from the very outset of his campaign as a guarantor of stability, a bulwark against further upheaval, a known quantity, a safe bet.

"I'm not sure we had to," said Anatoli Chubais, a key Yeltsin strategist, referring to a view of the future. He was in charge of economic reform before he moved to the top of the president's campaign. "One of his advantages is that everybody knows what his policy is. And in principle everybody knows what his policy will be."

Mr. Zyuganov, too, has not troubled himself with formulating a vision of tomorrow, instead offering voters a gauzy, partial picture of the things they liked about yesterday.

His campaign has been one of reminiscences — of low prices, stable wages and great power on the world stage.

That message has been appealing, even poignant, to millions of Russians. But few have confused Mr. Zyuganov's goals with a blueprint on ways to achieve them.

"I don't know how he can do these things," said a middle-aged woman in the once mighty industrial Volga River city of Samara. "All I know is that things used to be easier and better. I'm sick of what we have now."

Karpov and Kamsky Draw 5th Chess Game

Reuters

MOSCOW — The veteran Russian grandmaster Anatoli Karpov and his challenger, Gata Kamsky, drew the fifth of their 20 games in the International Chess Federation championship on Friday.

Mr. Karpov kept his one-point lead.

Mr. Karpov, 45, and Mr. Kamsky, 22, who defected from the Soviet Union to the United States in 1988, agreed to the draw after 23 moves, the Itar-Tass news agency said. Mr. Karpov leads, 3-2. The next game is to be played Sunday.



PRADA

Herald Tribune INTERNATIONAL
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Seeking a Test Ban

Forty years after the effort to halt nuclear testing began, a comprehensive test ban outlawing tests in the last permitted environment, underground, is at last coming into sight. The idea was so long in becoming reality because the five declared nuclear powers found it more urgent to improve than cap their arsenals, while others wanted to keep a nuclear option open. Only when the Cold War ended and the anxieties, alarms and ambitions feeding big-country bomb programs diminished did a test ban become possible.

For nuclear powers, a treaty — a prime American goal — amounts to restraint on qualitative weapons improvements: arms control. For undeclared nuclear powers (there are three: India, Pakistan and Israel) and for nuclear aspirants, a duly ratified and enforced ban will bottle up programs of their own: nonproliferation. In the latest phase, the parties at Geneva found themselves with an unworkable text containing more than 1,000 national objections. Chairman Jaap Ramaker of the Netherlands broke the stalemate with his own text. The talks now going on are focused on the equal-opportunity bruises he thus inflicted. The aim is to complete a treaty by the end of June.

China did well to abandon its insistence on a loophole for "peaceful" tests. But China stood alone for that dodge, and it is making trouble by brazenly continuing underground tests even now and raising obstacles to future on-site inspections. Its readiness to blunt the vital enforcement edge of nonproliferation can only stir doubts about its purposes.

An even more difficult negotiating hurdle is the provision on the treaty's entering into force. The United States, eager to constrain the nuclear states' weapons, would have it go into effect once the five declared states and a good group of others are on board. But the other four declared states support the chairman's demand that India, Pakistan and Israel sign up right away. This proposal is worthy but impractical. The treaty can't do everything for everybody; it can't, for instance, by itself ease the anxieties that animate those three undeclared nuclear states.

Testing was once widely thought of as the live fuse of an "arms race" that had to be slowed to ensure the planet's survival. Later, the idea of a test ban was set aside in a mutual Soviet-American reliance for safety on nuclear deterrence. The political agreements of the Reagan period finally diminished the great-power nuclear risks. But a test ban remains a useful tool for reducing the lingering risks, especially of those nuclear weapons in or potentially in irresponsible hands.

— *THE WASHINGTON POST.*

Free Cyber-Speech

In an eloquent decision that honors free speech, a special three-judge panel in Philadelphia has blocked an unconstitutional and wholly unnecessary new federal law enacted earlier this year in the name of protecting children.

The ruling rightly views the vast web of computer networks now used by millions of people not as a threat, as Congress seemed to when it passed the Communications Decency Act, but as "a never-ending worldwide conversation" entitled to maximum protection under the First Amendment.

The three judges were Dolores Sloviter, chief judge of the 3d U.S. Circuit Court of Appeals, and U.S. District Judges Ronald Buckwalter and Stewart Dalzell. At the unusual hearings in the case, they received a valuable crash course in the new communications technology.

What they learned is carefully reflected in detailed findings of fact that could well serve as a primer for computer-phobic Americans seeking to understand the unique nature of the Internet, and how it differs from earlier forms of communication including radio, television, books and newspapers.

The shame is that Congress did similarly educate itself before making it a felony to knowingly transmit indecent material over networks where children may see it. The law was quickly challenged by a broad coalition that included the American Civil Liberties Union, the American Library Association, journalism and publishing groups and on-line service companies.

Their chief concern was that the act would chill free speech by exposing libraries, newspapers and magazines to criminal penalties for publishing online material deemed "indecent" under the statute but perfectly legal in its printed form.

The judges noted that the act would effectively reduce communication on the Internet to a level judged appropriate for children. This, they found, would place constitutionally unacceptable restrictions on what adults can publish or see, including a broad range of artistically worthwhile material.

The panel also rejected the government's argument that the Internet should be viewed similarly to TV and radio broadcasting, for which some speech restrictions have been allowed. There is a big difference. While children can stumble across explicit material just by turning the set on, the court noted, computer users must actively seek out the material they want to view.

"As the most participatory form of mass speech yet developed, the Internet deserves the highest protection from governmental intrusion," Judge Dalzell wrote. Citing the emergence of software that parents can use to block transmissions, the decision found that the government had failed to meet its burden of regulating speech by the least restrictive means.

Under the statute's accelerated review process, the case will next be appealed to the Supreme Court, where the panel's ringing endorsement of free speech in cyberspace deserves unanimous affirmation.

— *THE NEW YORK TIMES.*

A Wing and a Prayer

They may have nothing to do with the crash of ValuJet Flight 592 in the Everglades, but the reports coming out now of alarmingly slipshod maintenance of the airline's fleet demand better explanations. A draft document obtained by the Post staff writer Don Phillips of preliminary findings from a 120-day Federal Aviation Administration pre-crash investigation of ValuJet contains some chilling accounts. Among them is a report on mechanics who, lacking the correct maintenance manual, used a hammer and chisel to yank out an engine on a ValuJet DC-9. The plane took off shortly afterward. The engine lost oil pressure and shut down in flight. An FAA inspector reported that the chisel had damaged a seal, allowing engine oil to drain out. Isolated incident?

Not at all. The report is filled with alarming accounts of out-of-date manuals, employees unfamiliar with rules and work that was certified as completed when it had not even been started. As reporter Phillips notes, these incidents are all the more significant because ValuJet personnel knew they were under intense FAA scrutiny at the time. And how reassuring is this initial reaction from ValuJet President Lewis H. Jordan? "It certainly does not sound like the way we want to do business." Still, he added, during his more than 20 years' experience in the airline industry, he had learned that reports like these often were open to challenge and sometimes were based on misinformation or misunderstandings.

That's not close to being good enough. An increasingly safety-conscious public has come to learn that ValuJet farms out almost all of its maintenance, training, reservations work and other functions to private contractors. The outside contractors are not properly supervised, the FAA says. Why not? That's a job that doesn't stop at ValuJet. The FAA has a responsibility here. And even though the intense FAA investigation did get going on Feb. 14, ValuJet's history of incidents well before then was hardly inconsequential. What more should have been done to inspect, warn, reprimand or shut down an airline with such a string of problems?

Air travel is increasing, and new airlines can and do enter the market and grow rapidly. This places additional responsibility on the agency charged with overseeing safety. It isn't enough to say we should do better or we were on the case. There needs to be a greater recognition both of the public's heightened concerns and of the importance of meeting those concerns with more detailed, stringent oversight.

— *THE WASHINGTON POST.*

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The Real News? The Fact That Russians Can Vote

By Jim Hoagland

WASHINGTON — Russia votes Sunday at the end of the first phase of its first fully democratic presidential campaign. That is sweet news, worth dwelling on before the ballot count propels Russia and the world into the next cycle of electoral suspense and change.

"Russia Votes": headline words to savor. They signify a major consequence of the end of the Cold War, assuming that Russia's casting and counting of votes will proceed in orderly fashion, as now appears likely.

A vote in Moscow will have come to resemble a vote in Podunk or Paris, even if the stakes are much larger for the rest of the world. The leaders of the West, including President Bill Clinton, have been right to encourage President Boris Yeltsin to go through with the election despite early indications he would lose it.

Russophobes and unreconstructed Cold Warriors disagree and dwell on flaws in the campaign and in the leading candidates, including Mr. Yeltsin. The critics discount this vote and present a realpolitik argument that goes like this:

What is important is not that Russia is holding a democratic election. What counts for America is the government that rules in Moscow and its policies. A democratically elected Russian leader may turn out to be dangerously hostile to America. Democracy in Russia does not guarantee world peace.

That is obviously true. The meaning of democracy is living with uncertainty, with results that are not fixed in advance. But this tautology rushes past the important.

The election campaign itself establishes and validates the vast change Russia has undergone in half a decade. The critics make the perfect the enemy of the messy and uncertain improvement that Russian democracy is. They sell short the long-term effects the democratic process exerts on any society, including one that had to endure the terror of the gulag and the corrupt cynicism of Communist rule for 70 years.

The campaign has reflected new Russian values, in the broadest meaning of that political buzzword. Up for judgment are the material, political, ideological and social values that separate Mr. Yeltsin, the Communist leader Gennadi Zyuganov and the others. Voters are even free to register their disbelief in what the politicians say their values are by selecting a line that will record them voting for "None of the Above."

Values are not uniformly positive or pretty. Mr. Zyuganov has appealed to resentment and fear, regretting the Soviet collapse and airbrushing its causes. Mr. Yeltsin has unlocked the treasury to pay back wages and overdue pensions and to buy support wherever he can find it. But to win, Mr. Yeltsin has also found it necessary to risk his life by traveling to Chechnya to pursue a peaceful settlement in the savage war he had supported there. He acknowledged that he could not be re-elected if voters felt he was indifferent to, or the cause of, Chechnya's bloodshed. Peace, not war, is in Mr. Yeltsin's assessment the overriding demand of the Russian electorate.

To rescue his failing campaign, Mr. Yeltsin turned back to youthful reformers and democrats like Anatoli Chubais, who has piloted Mr. Yeltsin's resurgence in the polls from almost certain loser to likely victor. Mr. Yeltsin was cunning enough to recognize that to win a democratic election he had to rely on people who understand what democracy is, rather than continue to close himself off with his sinister kitchen cabinet of cronies who wanted to cancel the voting.

And he has made a show of Russia's involvement with and dependence on the outside world by playing up World Bank loans, International Monetary Fund credits and the clear support he has received from President Clinton, Chancellor Helmut Kohl, and President Jacques Chirac. The threat of a return to a Cold War world has been put aside in favor of Russia's need to integrate into the world economy.

Admittedly, these are values to campaign by. They are not necessarily the values that will be used to govern once office is achieved. Just as he could put back on the 25 pounds he has dropped in recent weeks by ending his drinking and taking up boogying with rock stars on the campaign trail, Mr. Yeltsin could well return to the stupor and anti-reform, anti-Western ethos that gripped him a year ago.

But that will not signify that the voting has been in vain, or that Clinton & Co. have been foolish to encourage this next step in a work-in-progress.

Russia's politicians have had to assess and acknowledge the values of an electorate that will now have its say. For Russia, that is a new revolution.

The Washington Post.

Without Elections, There Will Be No Unified Bosnian State

By Warren Christopher

The writer is the U.S. secretary of state.

WASHINGTON — In the seven months since the Dayton agreement ended the Bosnian war, the U.S. mission in that country has achieved more than the cynics thought possible.

The guns of war are silent. City streets are safe from snipers. Once-besieged towns are no longer cut off from the world, and bit by bit homes, schools, roads and factories are being rebuilt.

Progress has come from setting deadlines and sticking to them.

The most important next step is to hold free and fair elections. Yet some are urging the international community to postpone this critical requirement of the peace accord. Fortunately, leaders of the former Yugoslavia and the five-nation Contact Group recently called for elections to be held by the Sept. 14 deadline set in Dayton.

Timely elections are vital because they are the precondition for the new political institutions created by the Dayton accord. Without elections, there will be no unified Bosnian state, no national constitution or judiciary and little hope for greater cooperation among Bosnia's diverse communities. Moreover, since refugees can vote as residents of their original communities, elections can help prevent an ethnic partition.

Indicted war criminals such as Radovan Karadzic, the Bosnian Serb leader, are not eligible to run, and we have made clear to President Slobodan Milosevic of Serbia that they cannot be allowed to undermine the election process.

One way or another, by the time Bosnia's newly elected leaders begin their terms, these war criminals will be out of office for good.

Conditions for free and fair elections are by no means ideal. But we have just two choices. We can wait and hope they improve before scheduling a vote, without giving the parties an incentive to do better. Or we can set a firm date and use the deadline this creates to push the parties to meet their responsibilities.

My experience with Bosnia tells me that only the latter course is likely to succeed. Progress so far has come from setting deadlines and sticking to them.

Between now and the election, the international community will intensify its efforts to improve conditions. Having completed most of their military tasks, U.S. troops will no longer be concentrated along the 1,000-mile-long zone that once divided Bosnia's warring armies. They can now conduct more visible patrols throughout the country. This will encourage freedom of movement and put war criminals at greater risk of arrest.

By the day of the vote, we will also be ready with 1,200 international election supervisors and many more monitors to deter violations of election rules. We are now supporting a nationwide broadcast network to allow candidates to get their messages out. Any delay in elections would reduce the pressure on the parties to respect freedom of movement and freedom of the press. It would encourage a belief that other important deadlines can be ignored.

It would allow those responsible for the conduct of the war to stay in office without having to answer to voters. It would entrench the status quo in Bosnia — and the people who benefit from it.

We have seen the power of democratic choice transform troubled nations such as Cambodia, Mozambique and El Salvador. In each case, outsiders questioned if elections could succeed in divided societies only beginning to recover from war or genocide. But voters overcame every obstacle to prove the doubters wrong.

All the evidence suggests that the people of Bosnia are equally ready to make their mark. New political parties are forming. Polls show that more than 80 percent of Bosnia's Muslims, Croats and Serbs intend to vote.

The people of Bosnia were denied their voice by four years of violence and political terror. Election day will belong to them. And the sooner it comes, the better.

The New York Times.

But War Criminals Still Call the Shots

By Anthony Lewis

LONDON — "Indicted war criminals are dictating the agenda at the moment. They are saying what should happen."

Judge Richard Goldstone, chief prosecutor of the International War Crimes Tribunal for the Former Yugoslavia, spoke in low, even tones. But he did not conceal his unhappy feelings about the process of justice he was appointed to pursue.

The process has been stymied by the failure to arrest and bring before the tribunal in The Hague the two most notorious accused mass murderers in Bosnia: Radovan Karadzic, president of the so-called Serbian Republic, and its military commander, Ratko Mladic. Also high on the wanted list is a Bosnian Croat, Dario Kordic.

Mr. Karadzic and his extremist colleagues remain in control of the Serbian area of Bosnia. Using orchestrated violence and threats, they have squelched efforts by other Serbs to put aside ultranationalism. And they have blocked the Dayton agreement's provision for freedom of movement in Bosnia.

Judge Goldstone, who was interviewed while in London to deliver a lecture on the prosecution of war crimes, emphasized what failure of this tribunal would mean as a legal and moral precedent.

"The victims in the former Yugoslavia," he said, "were solemnly told that the international community was going to bring them justice. A tribunal was created, and it issued warrants of arrest for people accused of some of the worst atrocities. Imagine how the victims feel now, when those indictments and warrants of arrest are ignored — ignored by the powers that brought about the Dayton agreement."

The American commander of the Implementation Force in Bosnia, Admiral Leighton Smith, has ruled out any attempt to arrest Mr. Karadzic and General Mladic unless IFOR troops happen to encounter them. He and his political superiors fear that arrests would lead to Bosnian Serb attacks on IFOR. A NATO spokesman said arresting Mr. Karadzic would not be worth the blood of one IFOR soldier — a statement that outraged Judge Goldstone.

"Try to imagine a similar position in the United States," he said: "The attorney general saying: 'We've indicted this serial killer, but arresting him is not worth a risk to one FBI agent. We'll just wait till we come across him.' Only here you have people charged with mass murder. You have hundreds of thousands of victims of murder and rape and violence. And you have not a police force but 60,000 of the most sophisticated troops in the world."

Like many other international figures, Judge Goldstone is troubled by U.S. insistence that an all-Bosnia election go ahead in September despite conditions that would make it less than free and fair: intimidation in the Serbian areas, no freedom of movement, no independent media.

The Dayton agreement bars anyone indicted for war crimes from running in the election. But present indications are that Mr. Karadzic would put up a front man or woman and remain in effective control. Indeed, his grip on the Bosnian Serbs would be legitimized.

"You can't have a perfect election after years of genocide," Judge Goldstone said, "any more than you could in South Africa after centuries of racial oppression. But you can have a reasonable one, so why have a flawed election?"

Two ranking officials appointed by the Organization for Security and Cooperation in Europe to handle election matters have resigned in protest at the rush to proceed. The Swiss foreign minister, Flavio Cotti, who serves as chairman of the OSCE, has also been resisting American pressure to agree that the conditions exist for a fair election.

The U.S. argument on the election is that it is the one hope, however flawed, of creating all-Bosnia institutions. But critics charge that the Clinton administration, for political reasons, wants to avoid the appearance of the Dayton agreement's unraveling.

"The victims are left out of the equation," Judge Goldstone said. "You can't have peace if you have hundreds of thousands of people left with a deep sense of injustice."

On June 27 the Hague tribunal will begin a proceeding to make public the evidence on which the indictments of Mr. Karadzic and General Mladic were based. Perhaps that will shame the United States, NATO and IFOR into acting to bring them to justice.

The New York Times.

Secondary Boycotts: Nonsensical

By John L. Harper

BOLOGNA — The United States and its European allies may be headed for a nasty argument over a couple of "out of NATO area" concerns.

When the State Department informs non-U.S. firms operating in Cuba that their executives may no longer set foot in the United States, it will be implementing a so-called secondary embargo in accordance with the Helms-Burton law. The law is supposed to punish foreigners with the gall to defy the unilateral U.S. embargo of Cuba. The Clinton administration doesn't like the bill but has gone along for electoral reasons. The Europeans see it as a transparent bid to curry favor with the Cuban-American lobby — and Senator Jesse Helms and Representative Dan Burton themselves as relics of a bygone age.

Legislation proposed by Senator Alfonse D'Amato would impose sanctions on foreigners trading with Iran. In this case, the State Department appears to be on the same wavelength as the senatorial sponsor. In line with the department's campaign against what it defines as outlaw states, Secretary of State Warren Christopher recently criticized the Europeans as being soft on Iran. The Europeans see this as a U.S. obsession dating to 1979, and as a domestically motivated policy that ignores Iranian moderates' attempts to gain greater power.

The Cold War period was full of such disputes. The United States and Britain clashed over how to handle China, Iran and Egypt in the 1950s. Vietnam and the Middle East bedeviled Atlantic relations in the 1960s and '70s. The U.S. bombing of Libya and the attempt to "extradite" the Palestinians responsible for the Achille Lauro hijacking from an Italian airfield led to an ugly incident with Italy in the mid-'80s.

Such tensions were inevitable among allies with divergent perspectives and interests on Asia and the Middle East. They were manageable because everybody looked to America to counterbalance the Soviet threat. During the Cold War, the Europeans knew on which side their bread was buttered.

Arguably they still do, and if the United States pushes its campaign the Europeans are likely to grumble but fall into line. According to this argument, they are still afraid of Russia and are used to deferring to the United States. Their response to Bosnia suggests that they are also disorganized and distracted, and that if the United States were to enforce its secondary embargoes in a selective way, it could head off a common European response.

But this argument is wrong. The Europeans today are much more worried about jobs and exports than they are about the Russians. Whatever the United States may gain from bashing Marxists and mullahs will be outweighed by negative results. The attempt to impose U.S. law on other countries will produce deep resentment and calls for retaliation against U.S. businesspeople and tourists. It will undermine the principle of multilateral cooperation enshrined in bodies like the World Trade Organization. It will provide ammunition for extremists in the target states as well as a golden opportunity to play Europe off against the United States.

The mother of such disputes would be China. If the United States got involved in a serious confrontation, say, over Taiwan, it would expect the Europeans to take part in an embargo of China — but how would the Europeans react when the United States told them they could no longer deal with China? How would the U.S. public react if it thought Europe was stabbing it in the back? If an economic war became a shooting war, moreover, U.S. military assets would be sucked out of Europe. The units removed from Europe during the Gulf War were sent back, but next time this might not be the case.

Politicians like Jesse Helms — Dean Acheson used to call them the "primitives" — obviously don't care if the Europeans get their noses bent out of shape. That's the part they enjoy. But once the U.S. elections are over, the administration in power ought to put an end to this kind of nonsense.

Old-fashioned, behind-the-scenes consultation, planning and compromise are the only rational ways to hammer out such disputes. Anybody who doesn't believe that should think about the potentially disastrous consequences for U.S.-European relations from potential events in the Far East.

The writer, a professor at the Bologna Center of the Johns Hopkins University, contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Lady Cyclists

PARIS — [The Herald says in an Editorial:] French leaders of society appear to have definitely settled to adopt the fashions in cycling costumes prevailing in England. The Paris dress-makers, with one consent, pronounce the knickerbocker to be "bad form" and declare that the skirt, proper or divided, "is your only wear." Ladies will judge for themselves whether or not such models are as becoming as they are convenient.

1921: German Revenge

LEIPZIG — Maps and atlases used in schools throughout Germany will continue to include in Germany Alsace and Lorraine and other territories lost during the war. This was decided at a congress of German geographers which met here today [June 13]. In a speech, Herr Drygalsky said that this step would contribute to strengthen in the German children the spirit of revenge.

1946: Atomic Security

NEW YORK — The United States proposed to the world today [June 14] the creation of an international atomic development authority to handle atomic energy, and agreed to destroy its own store of atom bombs and cease manufacturing them if an adequate control system is set up. The United States made it crystal clear that there must be no veto power in any part of the framework it was proposing for the development and peaceful use of atomic energy. It called for the renunciation of the atom bomb as an instrument of warfare and for a world security program "not composed merely of pious thoughts, but of enforceable sanctions — an international law with teeth in it."

Indonesia Airline Defends Safety Record After Crash

Compiled by Our Staff From Dispatches

FUKUOKA, Japan — The president of Garuda Indonesian Airways on Friday defended his airline's safety record after a fiery DC-10 crash, but he promised more Japanese-speaking stewardesses after complaints about evacuation procedures.

Passengers said they had fled flames engulfing the fuselage in a near-panic and some accused flight attendants of not guiding them safely out through emergency chutes.

Soepandi, head of the state-run airline, said the company had had no accident on flights between Japan and Indonesia for 33 years.

Investigators of the takeoff crash of the DC-10, carrying mainly Japanese vacationers, said they would focus on engine trouble as a possible cause.

The airliner, bound for Bali and Jakarta with 275 people aboard, crashed on takeoff from Fukuoka airport on Thursday, killing 3 passengers and injuring 110.

The DC-10 is powered by three engines, one on each wing and the third on the rudder in the rear.

Mr. Soepandi vowed to increase the number of Japanese-speaking flight attendants to fend off criticism from some survivors of confusion during the evacuation.

"Garuda will increase the number of flight attendants who can speak Japanese," he said.

Several passengers quoted by major Japanese newspapers Friday said that while flight attendants helped some people in the front get out of the plane, they failed to assist those in the back and on the right side, where the fire apparently first began to spread.

Others said they heard no emergency directions at all, and simply followed the lead of their fellow passengers.

"I had to find my way through the smoke and heat by following a light," Kiyoshi Kawakami told the Asahi Shimbun, a major daily. "When I got out, stewardesses were already well away from the plane."

The aircraft's chief steward, Chanisan Hisyan, earlier acknowledged that he could not warn Japanese passengers — there were only four passengers who were non-Japanese — of trouble because he did not speak their language.

The chief steward gave an account of the nightmare-like scene in the cabin, with luggage flying around, smoke cutting visibility nearly to near and most passengers unaware of what was happening. "I could only give the warning of what was happening in English and Indonesian," Mr. Hisyan said.

(Reuters, AP)

BRIEFLY ASIA

Awami League in Bangladesh Moving to Create a Government

DHAKA — Bangladesh's centrist Awami League began efforts to find political allies Friday to assure an absolute majority in Parliament and cement the intention of its leader, Sheikh Hasina Wazed, to form the next government.

"She has called the MPs to an urgent meeting on Sunday to discuss the formation of the government," an Awami League spokesman said.

He said Sheikh Hasina had set up the meeting after heads of foreign election observer teams met her Friday and reaffirmed their conviction that the voting Wednesday was "free and fair."

"Political parties need to be loyal to Bangladesh, and we hope there would be a smooth transfer of power," Andrew Peacock, former Australian foreign minister, said. He is co-leader of the Washington-based National Democratic Initiative.

As the Awami League fell short of an absolute majority in the elections, Sheikh Hasina would still need support of smaller parties. *(Reuters)*

3 North Korean Naval Vessels Said to Intrude Into the South

SEOUL — North Korean naval vessels intruded into South Korean waters Friday as Seoul conducted its biggest-ever civil defense drill to test its readiness against attack from the North.

A Defense Ministry spokesman said three patrol vessels had crossed a maritime demarcation line and engaged in a three-hour standoff with South Korean destroyers.

The reported intrusion — the latest in a string of military provocations by North Korea across the border — began just minutes after air raid warning sirens sounded throughout South Korea.

At the same time, South Korean warplanes streaked across the skies as part of a drill to test warning systems revamped after a North Korean defector in a jet fighter exposed a gaping security hole last month.

A similar confrontation last month, involving five Northern ships, ended peacefully. This followed a number of incursions across the land border in April designed by Pyongyang to show its contempt for a truce agreement that ended the 1950-53 Korean War. *(Reuters)*

Japan Backs U.S. Military Pact

TOKYO — The Japanese Parliament voted Friday to approve a pact with the United States to supply military goods and services, a move believed to boost security corporation between the two countries.

The Acquisition and Cross-Servicing Agreement covers 15 items that Japan would offer the U.S. military in peacetime joint exercises. They include food, water, fuel, clothing, spare parts and components, transportation and repair and maintenance.

The accord, which was signed in April, will formally take effect in October, Japanese officials said. *(AFP)*

Vietnam Frees Longtime Critic

HANOI — Vietnam released a longtime Communist Party dissident, Hoang Minh Chinh, from jail on Friday, denying reports that his health had been affected by a 12-month prison term.

The move came two weeks ahead of an important Communist Party congress in Hanoi and a year after the outspoken intellectual, who is 77, was arrested for anti-state activities. *(AFP)*

Women in India Said to Endure Lifetime of Bias

The Associated Press

NEW DELHI — Discrimination begins early and lasts a lifetime in India, where girls are weaned two months earlier than boys and adult women receive inadequate health care, according to a study by the World Bank.

The study that drew those conclusions said improving women's health was primarily a matter of making small changes, including better hygiene at childbirth and iron supplements for pregnant women.

The report made public Friday, "Improving Women's Health in India," also suggested that the government double the $428.5 million it spends annually on health care and focus on women's health services.

"The poor health of Indian women is a concern on both national and individual levels," it said. "It affects the children who will be India's next generation of citizens and workers."

Anne Tinker, author of the report and a senior health specialist at the World Bank in Washington, said women in India were sicker than men throughout their life but receive less treatment.

Only a quarter of the children in this nation of 920 million people are born in the presence of a doctor or a paramedic, the report emphasized.

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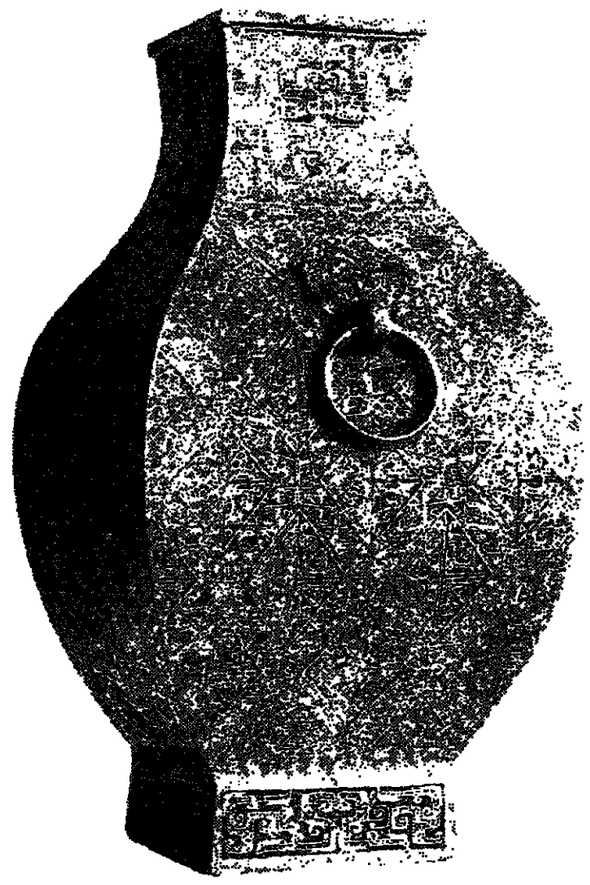
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International Herald Tribune

LONDON — In show after show the complexities of early Chinese cultural history unfold endlessly, revealing new art treasures and a web of connections with the outside world that belies the long-held myth of its supposed self-reliance in splendid isolation.

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SOUREN MELIKIAN

There is an understated elegance about the display in which perfect spacing allows the eye to alight on each of the 33 pieces without being distracted right and left. Here, the sheer beauty of the objects, the sole criterion of selection, hits the eye. So does the novelty of some major discoveries.

These begin with two vases of the fifth or fourth century B.C. with sinuous walls and square bases. The rhythmical effect of the chessboard pattern on one, in which turquoise inlay enhances motifs resembling aces of spades at a downward slant, is so far unique. Arranged in staggered rows, they alternate with delicately engraved abstract curves.

On the second vase, broad intersecting bands filled with linear designs isolate lozenges that are in turn filled with intricate patterns of calligraphic fluidity. The use of malachite inlay in the intersecting bands and on the neck gives an overall impression of clarity and lightness that is one of the great novelties of Chinese art at that time.

The second novelty was the invasion of figural representation. At first, abstract designs were welded to the small bronze subjects as if the Chinese artist could not bear the thought of unadulterated naturalistic representation.

One of the most astonishing revelations in the show is a bronze garment hook in the form of a monkey dating from the fourth or early third century B.C. The animal is shown with one arm stretched back horizontally and the other hanging down as if it was swinging from branch to branch. There is no tree, but one senses the leap in the air. The stylized face has the feel of some primitive carved wood mask. On the body covered with thin gold leaf, an irregular motif as precise as a pictogram is inlaid with turquoise. It is at odds with the vivid rendition of the monkey.

There were greater contrasts. A reclining bull cast in bronze around the same time with its head slightly turned to the left as if to listen to some noise could hardly be more sensitive in its observation of life. Yet, the body is covered with silver inlaid motifs, part abstract and part figural, that give it a note of surreal fantasy.

We do not know for sure what factors led to the pure figuration that eventually emerged around the beginning of the Han dynasty, which came to power in 206 B.C. Its earliest masterpieces were small bronzes of which one of the most stunning examples is revealed in the show. The stallion clad in articulated horse armor of a type that was previously unknown represents a new school of sculpture all by itself. The powerful handling of the head, with its carved effect, bears only the most superficial resemblance to some of the sandstone or earthenware horses recovered from early Han tombs. The muzzle, plunging down like the beak of some bird of prey, may be a legacy from a more distant past, borrowed from the art of the Iranian Scythians. The handling of the eye, with its well-rounded pupil and its wedge-like dent goes right back to the Achaemenid style as represented at Persepolis.

Human representation was more primitive in its early stages. A small bronze character holding a beaker with one hand and part of a bladelike device with the other is yet again a discovery. Related pieces number fewer than 10. This one has an unusual facial type with a pug nose, bushy eyebrows and big rounded eyes. The thick double-breasted robe seems to anticipate much later Mongol garments. With its touch of stiffness and naïveté, it illustrates an archaic phase in three-dimensional figuration.

The "classical" stage was quickly reached if we are to judge from a squatting character with one knee touching the ground and one arm raised to hold up a low circular tray, which must rate among the most surprising discoveries made in Chinese art over the past decade. The man rests his left hand on his flexed knee as he looks up to make sure he holds the tray straight. Attention is paid to the musculature for the first time in Chinese art and also to the accuracy of posture.

The influence of Hellenistic art is obvious, as is the intermediary which passed it on — it arrived, literally, in Iranian garb. The kneeling man wears the short tunic of the Parthians, held tight by a sash and the characteristic headdress tapering before plunging forward which is seen in some rock reliefs in Central Iran. The facial features, not remotely Iranian, suggest some aristocratic member of one or other of the Turkic clans under the influence of Eastern Iranian culture — of the Sogdians in particular whose colonies spread through much of what is today Chinese Turkistan, as far as the oasis of Dunhuang, which retains its Sogdian name in sinicized pronunciation.

THREE other finds confirm that Iranian fashions spread at a much earlier date than has been assumed since the American scholar Berthold Laufer published his epoch-making book "Sino-Iranica" in 1919.

One is a bronze and gold cap that topped one of the parasols set in the middle of horse-drawn chariots. A cartoon-like character wearing a rigid cape, probably of thick felt, is shown leading a restive camel by the bridle. This is the earliest known representation of a camel driver in the Far East. Behind him, three animals of the Iranian royal hunt can be seen — a wild ass or onager, a boar and a rearing tiger. On an iron belt buckle, another animal of the Iranian hunt appears for the first time in China, the ibex or mountain goat, mistaken in the catalogue for a deer. The royal hunt fashion imported from Iran was taking on in China, presumably at court, as a third discovery in the show would suggest. Among the scenes painted on the back of a bronze mirror, one depicts two mounted archers turning back to aim their "Parthian shot" at a running boar.

When the Tang dynasty came to power, what had been a limited strain of Iranian influence affected every form of Chinese culture, from musical instruments to silver vessels. And yet sinicization was instant. An earthen group of three standing performers and a dwarf appears at the end of the show. Wearing the now ubiquitous "foreign" costume of Iranian derivation, their expressive faces and gestures suggest a pantomime accompanied by singing and jesting such as were still performed in the remoter parts of Afghan Khorasan in the 1970s.

Yet few today would see the group as anything but quintessentially Chinese. One may go further concerning a figure seated cross-legged in the Middle Eastern fashion and call it an unforgettable masterpiece of Tang sculpture. Like the group, the figure was hitherto unrecorded. After half a century of archaeological excavations as well as commercial looting, discoveries continue to tumble down by the dozen in the Chinese arena.

BOOKS

THE LOVE AFFAIR AS A WORK OF ART

By Dan Hofstadter. 314 pages. $24. Farrar Straus Giroux.

Reviewed by Isabelle de Courtivron

THOSE of us who find it impossible today to function without our computers but who remember how much time we once spent writing and reading handwritten letters will agree with Dan Hofstadter that "the sex appeal of the letter has not been sufficiently stressed of late." "The Love Affair As a Work of Art" explores a particular time and culture, namely 19th-century Paris, when this was clearly not the case and when amorous correspondence between literary partners constituted an autonomous genre somewhere between autobiography and fiction. In order to illustrate a period when it was hard to draw boundaries between love as it was lived and as it was written about, Hofstadter chooses to tell the story of five famous literary couples in 19th-century France and to explore the role which their correspondence played in the evolution of these liaisons.

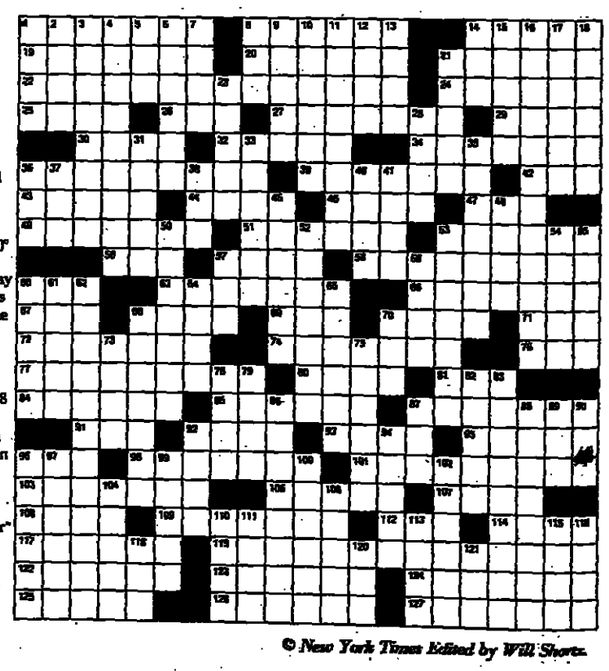
The couples included in this book are all well-known figures of Romanticism and of fin de siècle, but no one would dispute the fact that a number of them are remembered more for the legends than for the works they left behind. Benjamin Constant and Germaine de Stael find later echoes in Alfred de Musset and George Sand: These women, who were the century's most formidable French women of letters, were both engaged in tortured love affairs with younger, insecure, talented men. In both cases, the actual physical liaison was much more short-lived than the copious letters, diaries, correspondence, and fiction to which it led. Two other couples illustrate yet another cherished literary stereotype, that of the gracious and clever salon hostess and the somewhat dour grand old man of letters and politics who is the centerpiece of her salon, namely Juliette de Recamier and Chateaubriand, followed toward the end of the century by Leontine de Cavaillet and Anatole France. The fifth and last pair is more unexpected since it is Proust and Jeanne Pouquet, who was known mostly for being the wife of one of Proust's best friends, Gaston de Cavaillet.

Not surprisingly, since literary Paris was (and still is) an exceedingly small and fairly incestuous world, these writers and lovers, whose lives range from late 18th to early 20th century, were all linked, personally or artistically. Juliette de Recamier was a close friend of Germaine de Stael and one of Benjamin Constant's love objects; Recamier fell in love with Chateaubriand, who wrote about George Sand; Leontine de Cavaillet was the mother of Gaston, who married Jeanne Pouquet and ran a salon where she introduced Proust to Anatole France, who was writing a preface to Benjamin Constant's Adolphe. The enigmatic and somewhat buffoon-like figure of Saint-Beuve, critic and voyeur extraordinaire, seems to lurk at every corner, as do other favorite props from the period, including the inevitable Italian journey and the real or imagined shadow of Napoleon.

It is unfortunate that some of the more interesting themes in Hofstadter's elusive if entertaining text get buried under the account of the histrionic entanglements of these couples and triangles. The distortion, self-plagiarism, mendacity, and direct omissions in their nonfictional works, the literary transmutation of jealousy and memory, and the recycling of literary and biographical models from one liaison to the next supply some of the wonderful nuggets that occasionally emerge from the many melodramas chronicled in this volume. Hofstadter, a novelist, has chosen to tell some colorful stories rather than draw any theoretical conclusions from them, and this should not be held against him. After all, who needs another academic tome on 19th-century French literature?

Isabelle de Courtivron, a professor of French Studies at the Massachusetts Institute of Technology, wrote this for The Washington Post.

FATHER'S DAY SPECIAL By Nancy Nicholson Joline



ACROSS
1 Boeing headquarters site
8 Midshipmen rivals
14 *Kind of orange*
19 Some cats
20 Unparalleled
21 Atlantic islands: Var.
22 *Harold Macmillan contemporary
24 Protects, in a way
25 North Carolina school
26 First U.N. Secretary General
27 Like some bands
29 Border
30 Lansbury role
32 Item of value
34 *Broadcasting worry*
36 *Flee
39 *Froufrou
42 "N.Y.P.D. Blue" title: Abbr.
43 West Point byword
44 "It —— Fair" (1950 hit)
46 Bakery selection
47 Mini-spacecraft
49 Core
51 Wiped out
53 Lawn item
56 Multitude
57 "—— Help" (1974 song)
58 Ancient Persian teacher
60 Rod
63 *1919 children's classic
66 Like some records
67 Neighbor of Leb
68 A little of this, a *little of that*
69 Verdi's "—— tu
70 Censor's target
71 Jazzman Dickenson
72 Not moving so much
74 *Uninhibited school
76 Superlative ending
77 Brief fashion
80 Edible seaweed
81 Lettuce *arrangement*
84 Windows with more than a 180° view
85 Catches, in a way
87 Figures in capes
91 Forensic science tool
92 On the hoof, in *lunch counter* lingo
93 Agcy. since 1958
95 Plain
96 Swimwear item
98 *Stream denizen
101 *Drink since 1890
103 17-Down, e.g.
105 Hunt of "Twister"
107 Feeler
108 *Contemporary of Bjorn*
109 Oscar-winning director, 1974
112 Rock producer Brian
114 Prong
117 Form a connection
119 *Long time
122 Borrower's need
123 *Portrayal in* "They Died With Their Boots On"
124 Famed *bacteriologist*
125 A Davis
126 Guides
127 Gluck opera

DOWN
1 Benefit
2 Chemical compound
3 Nicknames
4 Important weather news
5 *La* preceder
6 Dished out
7 Actor Morales
8 Signal
9 Two of six for *Henry VIII*
10 Called
11 Some circles
12 Calendar abbr.
13 Barcelona-born architect
14 Bump hard
15 Having a heater
16 *MSG, e.g.
17 Tabloid favorite
18 Express
21 Veneered
23 Mergers and buyouts
28 Muckraker Tarbell et al.
31 Battle site of 1918
33 "What fools these mortals be" writer
35 Hard-top
36 1994 Harry Connick Jr. album
37 Flatters
38 Stop working
40 *Court cry*
41 Finger: Sp.
45 Trafficked
48 Hop-drying kiln
50 Talk-show features
52 Cold-weather garb
53 Familiar raincoat wearer
54 Wimbledon sections
55 Raise
57 Witness's words
59 Some butters
60 Doohickey
61 Up
62 *West Indies residents
64 Concession attachment
65 Creasey's Scotland Yarder
68 Arsenic accompaniment
70 Spoonful
73 Bank claim
75 Strasbourg's locale
78 Deli dish
79 Quartz variety
82 Fall off, as support
83 Overwhelm
86 Fish that can twine its tail
87 Thrash
88 Water conditions *toxic to shellfish*
89 Eight-time Norris Trophy winner
90 Dump, so to speak
92 "Hair" co-lyricist
94 More judicious
96 Scratch pad?
97 Counts
99 It's kept on track
100 Expunge
102 Not keyed
104 Fictional orphan
106 Aussie tennis great
110 Subordinates to cpls.
111 Fit of pique
113 Western wine center
115 Cosmo *follower*
116 Brontë heroine
118 Notice
120 Hems' relatives
121 Mil. medal

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Solution to Puzzle of June 8-9

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RUBBERNECK BINNED
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TROBES EROTICA USSERS
ORS EBAM ETUDES ODE
ESTEGARD PSAS SNATCH
SPLISSA BEATEES
JUBILEE CURD GARDENED
STA EQUILLE TAGE ELI
SARDIS SEVENAR DAYCARE
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Watching China Change

By Alan Riding
New York Times Service

PARIS — Starting his career as a photographer in the early 1950s, Marc Riboud was lucky enough to have the founders of the Magnum photo agency as friends and advisers.

While Henri Cartier-Bresson tried to broaden the young Frenchman's education, telling him what to read and what museums to visit, Robert Capa encouraged him to learn English and even arranged his first professional assignment.

Yet despite the help of these role models, Riboud said he always felt uncomfortable among photographers. "They had their own jargon, they knew how to push, they were tough," he recalled. "I was very shy. I had trouble looking people in the face. I remember photographing a man painting the Eiffel Tower and worrying that he would fall off if I spoke to him. Eventually I thought, I have to go somewhere else."

So in 1956, he bought a second-hand Land Rover and drove to Calcutta. For almost a year, traveling alone, he took photographs throughout India. But he wanted to go still farther east. Finally, on Dec. 31, 1956, after months of waiting for a visa, he crossed from Hong Kong into China and boarded a train for Beijing.

It was a major coup for him to become one of the first Western photographers to enter China since the Communist takeover of 1949. But more relevantly, he was allowed to return at regular intervals over the next four decades and witness China's transformation from a backward peasant land dominated by Mao Zedong to a money-driven society that seems ready to forget its ancient culture and customs in the name of profit.

Now white-haired but still full of energy at 72, Riboud is presenting his record of this astonishing metamorphosis at the Centre National de la Photographie in Paris through July 29. The show, "Marc Riboud: 40 Years of Photography in China," will go to Beijing in the fall and to the International Center of Photography in New York in the summer of 1997.

Riboud insists that he is no expert China watcher. And he notes that he was not in China during many crucial political moments, including the height of the Cultural Revolution in the late 1960s and the killing of pro-democracy students in Tiananmen Square in 1989.

"I am not an analyst," he said in an interview at his Paris home. "I just collect impressions." But he was nonetheless a rare Western witness to both past and present of China, and his photographs serve as a memory.

The magnitude of China's economic revolution is startlingly evident in photographs that show the old and the new side by side: the uniformly drab Mao suits and the latest Western fashions, streets crowded with bicycles and today's traffic jams, traditional Chinese homes and glass-covered skyscrapers. But the two faces of China also coexist: a street scene in Shenzhen photographed in 1993 shows an impoverished man walking past posters of a pinup girl and a chubby-cheeked baby.

Riboud finds the pace of change disturbing. "It's a bit like someone who becomes a millionaire in one week," he said. "If it's not good for an individual, I can't believe it's good for a country. Today money is suddenly the only value. No one speaks about politics, no one speaks about Tiananmen Square, no one speaks about Confucius."

What worries him most is the threat this poses to traditional Chinese culture. "The poetry, opera and painting that were part of the Chinese identity for a thousand years have gone," he said. "Bookstores are closing. All the music comes from Hong Kong. They're selling all their antiquities abroad. Everything in the West is being imitated. But their pride is still Chinese. They're all convinced that China will become the most important country in the world."



Marc Riboud's shot of a street photographer in 1957.



The Ludovisi Throne, representing the birth of Aphrodite from the waves, is shown for the first time with the Boston Throne.

Greeks Abroad: Culture of Colonialism

By Roderick Conway Morris
International Herald Tribune

VENICE — The ancient Greeks felt compelled to found colonies for very much the same reasons as the Europeans did 2,000 and more years later: the quest for raw materials and new markets, not to mention the chance of riches (the opulent southern Italian Greek colony of Sybaris has left us with the word "sybaritic"); the pressure of overpopulation at home and lack of sufficient farmland; domestic political factions, internal wars, invasions and the flight from tyranny.

The Greek colonies in the "West," which were established primarily in southern Italy and Sicily, had the greatest and longest cultural influence, not least because they were conquered, by the third century B.C., by the Romans, a civilization that was militarily superior but culturally, at this point, consciously inferior — "Greece enslaved made a slave of her rough conqueror," as the Latin poet Horace pithily put it. Thus, Rome became the vehicle that spread Greek ideas, art, learning and science throughout the Western Hemisphere, and into areas never penetrated by the Greeks themselves.

The archaeological remains of these Italian colonies, rather than their wider cultural and scientific legacy, are the subject of a large exhibition, "I Greci in Occidenti" (The Greeks in the West), at the Palazzo Grassi until Dec. 8. The show displays more than 1,000 pieces from more than 80 museums, from statuary to ceramics, jewelry and inscriptions, and it must be said that there are many fascinating things here for those interested in classical art. It is part of Palazzo Grassi's brief that its exhibitions should be didactic as well as aesthetically interesting, but the enormous slabs of explanatory text and multitude of additional illustrations on the walls of this show are simply too long, sprawling and unfocused to be absorbed in these circumstances.

Greece as a nation never existed in ancient times, though its peoples in the post-Homeric era unquestionably came to share a common language, religion and culture. However, its complex patchwork of fiercely independent city states during the "colonial" period (which began in the eighth century B.C.) make the successful presentation of the history of Greek colonization in a predominantly visual form an enterprise that would require an overall intellectual vision not evident here.

Despite the fact that Greek colonies involved the occupation of foreign territories and the imposition of their authority and values on alien cultures, according to one of the panels at the start of the exhibition, they were, for reasons that remain mysterious, not really "colonies" at all, since they were allegedly not "imperialistic" as later such colonial ventures were. And, given that the colonies remained distinctively Greek — even if they often ended up competing with and going to war with each other — the show attempts to explain Greek civilization as a whole, on an inevitably fragmented and superficial level.

HAVING made one's way through a dozen rooms crammed with objects and often indigestible information, it is a relief to come upon what is a kind of sideshow: together for the first time, the so-called Ludovisi and Boston "Thrones." The only generally agreed fact about these two large, endlessly debated three-sided reliefs is that they are not actually thrones at all, but perhaps parts of some kind of temple, shrine or other monument. The Ludovisi Throne, to many eyes outstandingly the more attractive of the two, seems to represent the birth of Aphrodite from the waves, being received by a pair of handmaidens. Unearthed in not very well-recorded circumstances in the Gardens of Sallust in 1887, it has been dated as coming from about 460 B.C., though some skeptics have dubbed it a 19th-century fake, albeit a brilliant one.

The Boston Throne, whose scene depicts a winged figure between two women, one apparently joyful and the other mourning, which has defied clear interpretation, turned up in 1894 in an antique shop in Rome, and was bought by the Boston Museum a couple of years later. This throne's even more dubious provenance — a strange clause in the contract of sale forbidding it to be shown publicly for eight years after its purchase — and its anomalous figurative features have led to its wide condemnation as an elaborate fraud, although there are still critics who argue for its authenticity.

Curious and far from unwelcome diversions apart, the ultimate failure of this sculpture- and pot-led show is its lopsidedness as a cultural experience. Literature, other than theater as illustrated on ceramics, is almost entirely passed over. Theocritus, for example, born at Syracuse in Sicily in the third century B.C. and the father of pastoral poetry, does not even merit a mention. Meanwhile, two of the greatest scientists of all time, Pythagoras (born in about 580 B.C.) and Archimedes (c.287-212 B.C.), who spent most of their careers in western Greek cities, are inexplicably passed over in virtual silence.

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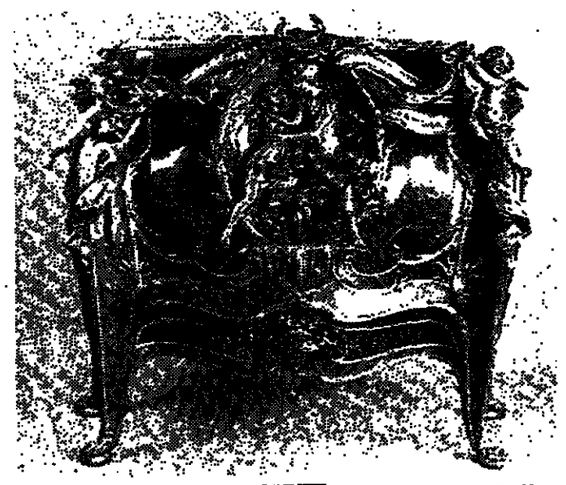
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Mr. Soustiel & Mrs. M.C. David: Islam (33-1) 45.62.27.76.
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THE WORLD'S DAILY NEWSPAPER

Continued on Page 18

هكذا من الأصل

This year marks the 100th anniversary of the purchase of The New York Times by Adolph S. Ochs. In 1896, this visionary publisher rescued The Times from financial insolvency and set standards of journalism that will endure forever. ❧ In an unprecedented collaboration, four esteemed New York City cultural institutions have joined forces to commemorate the achievements of Adolph S. Ochs. These institutions have generously agreed to host a series of exhibitions that will open on the same day and will include priceless photographs, archival materials and over 100 years of news clippings from The New York Times. ❧ These exhibitions will explore the far-ranging impact of Adolph S. Ochs not only on journalism, but on our times as well.

ADOLPH S. OCHS
THE MAN WHO CHANGED
The Times
A CENTENNIAL CELEBRATION OF THE NEW YORK TIMES

A Centennial Celebration

In August 1896, a young newspaper publisher named Adolph S. Ochs purchased a foundering newspaper called The New-York Times. Beset by competition from a penny press so fiercely competitive and sensationalistic that the term "yellow journalism" was coined to define the spectacle, The Times of 1896 was near bankruptcy.



Ochs had a revolutionary idea to save The Times. He would create a newspaper of good taste and high integrity that would strive every day to be fair, accurate, impartial and thorough. At the time, few thought he would succeed.

With determination and imagination, Ochs shaped The Times into a newspaper whose standards of excellence are now bedrock. Among his innovations, all achieved in that single landmark year of 1896, were The New York Times Magazine and The New York Times Book Review, as well as the slogan that crystallized his mission: "All the News That's Fit to Print."

In the process of changing The Times, Adolph S. Ochs changed the way we see the world. On the centennial of his remarkable accomplishments, The Times is pleased to open its archives as well as make several significant bequests to the public. We invite you to attend each of the four separate exhibitions detailed on the next page. The legacy of Adolph S. Ochs belongs not only to The Times ... it belongs to the world.

The New York Times



August 18, 1896

Controlling ownership of The New-York Times is acquired by Adolph S. Ochs.

September 6, 1896

Ochs publishes the first issue of an illustrated Sunday supplement, The New-York Times Magazine.

October 10, 1896

Still another first: The Saturday Review of Books and Art (it becomes a Sunday section on January 29, 1911).

October 25, 1896

"All the News That's Fit to Print," the paper's slogan, first appears on the editorial page.

It continues to appear every day thereafter and moves to the upper left corner of the front page, its current position, on February 10, 1897.

November 8, 1897

A weekly financial review is introduced. Skeptics abound, but the innovation brings thousands of new, substantial readers. The Times is soon called the "Business Bible."

January 1, 1905

The New York Times moves uptown to Longacre Square, whose name is changed to Times Square. The Times Tower (the center from which the ball is dropped every New Year's Eve) serves as the paper's home from 1905 until 1913, when The Times moves its office to its current home at 229 West 43rd Street.

Pictured here: the Times Tower in 1921, dedicated to commemorate the 25th anniversary of the Adolph S. Ochs purchase in 1896.

The New York Times cordially invites you to visit the following exhibitions opening June 26, 1996.

Pictures of The Times: A Century of Photography from The New York Times

The Museum of Modern Art

The Edward Steichen Photography Center (second floor)
11 West 53d Street • (212) 708-9480
Preview June 26, 1996
Open to the public June 27 – October 8, 1996

After searching through more than one million photographs (of the more than 17 million in The Times's archives), Museum curators selected 150 that best capture the vitality, diversity and evolution of photography in The New York Times. Together with world leaders, momentous events, celebrities and sports heroes are such diverse subjects as the fire at the Sherry Netherland Hotel in New York (1927), the launching of the *Queen Mary* (1934), a longshoremen's strike (1951) and a group of screaming Beatles fans (1964). Occasionally comic, often emotionally compelling and always fascinating, the pictures prove that news photography is as significant to history as it is to the morning paper.

In honor of the Adolph S. Ochs Centennial, The Times will establish The New York Times Collection at the Museum of Modern Art with a gift of 300 photographs from its archives.

Hours: 11 A.M.-6 P.M., Saturday-Tuesday • 12 P.M.-8:30 P.M., Thursday and Friday • closed Wednesday • **Admission:** $8.50 (adults) • $5.50 (full-time students with identification and senior citizens 65+ years) • Free (MOMA members and children under 16 years accompanied by an adult) • Pay What You Wish (Thursday and Friday 5:30 P.M.-8:30 P.M.)

Documenting The Times: Adolph S. Ochs and the Early Years of The New York Times

The Pierpont Morgan Library

29 East 36th Street • (212) 685-0610
June 26, 1996 – September 15, 1996

The first public exhibition drawn from the archives of The New York Times, "Documenting The Times" features approximately 80 letters, manuscripts and photographs from the early years of the newspaper. The exhibition illustrates the American success story of Adolph S. Ochs's rise from "a little boy who tramped the streets of Knoxville selling papers" to a man who convinced the formidable banker Pierpont Morgan to support his bid for the failing New-York Times. ❧ "Documenting The Times" explores Ochs's journalistic mission as set forth in his statement of principles — that the paper "give the news impartially, without fear or favor, regardless of party, sect, or interests involved," and that the columns of the paper be "a forum for the consideration of all questions of public importance, and to that end to invite intelligent discussion from all shades of opinion."

Hours: 10:30 P.M.-5 P.M., Tuesday-Friday • 10:30 P.M.-6 P.M., Saturday • 12 P.M.-6 P.M., Sunday • Closed Monday • **Admission:** $5 (suggested) • $3 (suggested, students and seniors)

Scientists and Journalists — One Story, Two Voices: A Century of Science Reporting in The New York Times

American Museum of Natural History

Central Park West at 79th Street • (212) 769-5100
June 26 – September 29, 1996

This exhibition will explore the significance of science as related by journalists and scientists. Fossil casts and archival materials documenting a century's worth of great moments in science history will be displayed alongside modern scientific analysis as well as the historic news reports from The New York Times that first announced these discoveries. ❧ Featured are more than one dozen finds as reported in *Science Times*. These range from the 1890's unearthing of "Java Man" to the uncovering of the Lascaux cave paintings, the research at Olduvai Gorge and the discovery of the early hominid specimen nicknamed "Lucy." In addition, on public display for the first time ever will be one of the newest major discoveries in the study of early human origins: casts of 4.1 million-year-old fossils of *Australopithecus anamensis*. This find provides the earliest direct and unambiguous evidence for upright walking by any member of the human family.

In honor of the Adolph S. Ochs Centennial, The New York Times Company Foundation is pleased to announce the permanent gift of a second Electronic Newspaper for public display at the American Museum of Natural History.

Hours: 10 A.M.-5:45 P.M. daily (except Friday and Saturday, open until 8:45 P.M.) • **Admission:** $7 (suggested, adults) • $4 (suggested, children) • $5 (suggested, seniors)

Headlines, Deadlines, Bylines: The New York Times Morgue 1896-1996

The New York Public Library

Center for the Humanities • Edna Barnes Salomon Room
Fifth Avenue at 42d Street • (212) 869-8089
June 26, 1996 – October 19, 1996

This exhibition surveys The Times through the content and context of its newspaper morgue: a vast compendium containing more than twenty-two million clippings and photographs that serves as the paper's central repository of information and recorded data. ❧ "Headlines, Deadlines, Bylines" presents a selection of material from the morgue's folders and files, supplemented by materials from The New York Public Library and loans from private collections. From the Spanish-American War and the sinking of the Titanic to the Pentagon Papers, Serpico and the bombing of the World Trade Center, The Times's stories have provided readers with a first version of history.

The New York Times is in the midst of transferring the contents of its morgue to The New York Public Library. The two institutions are collaborating on The New York Times Morgue Project to identify the most historic sections of this impressive clippings resource. It is anticipated that the collection will be accessible to the public at the Library in 1997.

Hours: 10 A.M.-6 P.M., Monday, Thursday, Friday and Saturday • 11 A.M.-6 P.M. Tuesday and Wednesday • Closed Sunday • **Admission:** Free

The legacy of Adolph S. Ochs lives on at the Adolph S. Ochs Public School (P.S. 111). This multicultural school of over 800 students, grades kindergarten through junior high, is situated at 53d Street and 10th Avenue in Manhattan.

In honor of the Adolph S. Ochs Centennial Celebration, The New York Times Company Foundation is supporting the creation of five new crucially needed programs: science, music, writing, computer technology and photography. The Foundation's grant includes creating a learning center equipped with computer stations and furnishing an extensive school library.

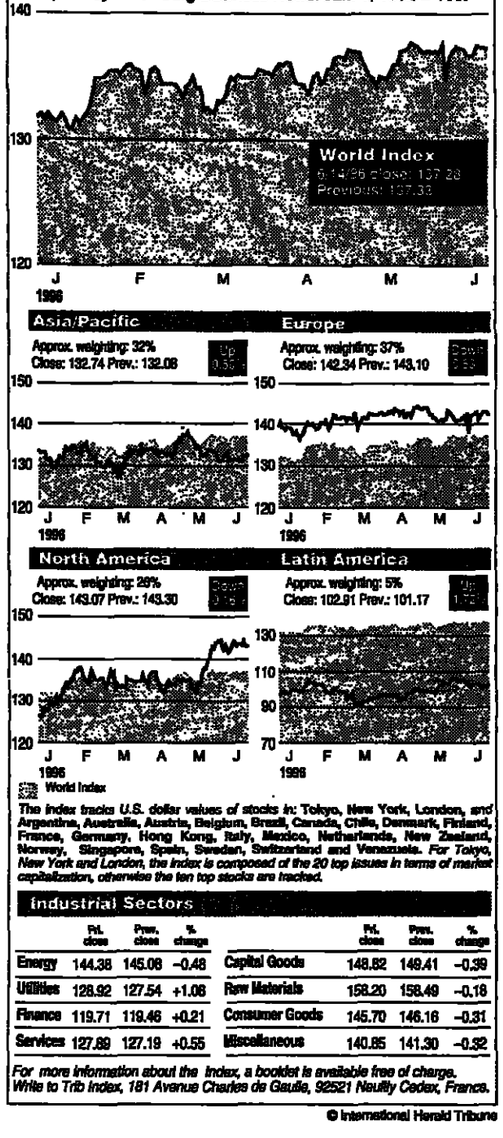
In addition, the Foundation is supervising the creation of ties between this school and various New York City cultural institutions such as Carnegie Hall, the American Museum of Natural History and the International Center of Photography. Through these on-site programs, students will not only learn more about culture, they will discover the wide range of behind-the-scenes operations that keep these institutions running. In Carnegie Hall's case, this includes every facet of operating a concert hall, from running the box office to repairing a violin to learning how to use the Hall's rich classical music archives. This undertaking by The New York Times Company Foundation, no doubt, would be music to Mr. Ochs's ears.

ADOLPH S. OCHS
THE MAN WHO CHANGED
The Times
A CENTENNIAL CELEBRATION OF THE NEW YORK TIMES



THE TRIB INDEX: 137.28

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



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Industrial Sectors

	Fri. close	Prev. close	% change		Fri. close	Prev. close	% change
Energy	144.38	145.08	−0.48	Capital Goods	148.82	149.41	−0.39
Utilities	128.92	127.54	+1.08	Raw Materials	158.20	158.49	−0.18
Finance	119.71	119.46	+0.21	Consumer Goods	145.70	146.16	−0.31
Services	127.89	127.19	+0.55	Miscellaneous	140.85	141.30	−0.32

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

© International Herald Tribune

Petronas Moves Into South Africa

Compiled by Our Staff From Dispatches

CAPE TOWN — In one of the biggest foreign investments yet in South Africa, Engen Ltd. said Friday that the Malaysian oil and gas company Petronas would pay 1.88 billion rand ($435 million) for a 30 percent stake in it. "This is a massive vote of confidence in South Africa and for Engen as a group," the South African oil company's chief executive, Rob Angel, said.

Under the agreement, Petronas will acquire 30 percent of Engen through a combination of transactions that includes an offer to all Engen shareholders to acquire 21.6 percent of the company's stock and an offering of new stock to raise $140 million.

Existing shareholders will be offered 34.50 rand a share, or 33 percent more than the 26 rand a share that Engen's stock fetched when it was suspended from trading Monday pending the announcement.

With 25 percent of South Africa's retail market, Engen — born when Mobil Oil divested itself of its South African assets in a management buyout — is the country's largest oil company.

Its biggest current shareholder is Sanlam, a South African insurance and investment concern that which holds 30 percent of its equity. After the sale, Sanlam's holding is expected to be reduced to between 15 percent and 20 percent.

Petronas owns and operates two refineries in Malaysia and is building a third refinery. Engen owns and operates the second-largest refinery in South Africa, in Durban.

Petronas's chief executive, Dato Hassan Marican, called the deal a "commitment to create business with South Africa, commitment to the entire continent of Africa." *(Reuters, AFP)*

VW Is Told to Face U.S. Courts

German Ruling Says It Cannot Ignore Summons

By John Schmid
International Herald Tribune

FRANKFURT — A two-year effort by Volkswagen AG to dodge summons servers in its legal battle with General Motors Corp. over charges of industrial espionage collapsed Friday.

A German court ruled that Volkswagen could not refuse a court summons in GM's complaint, even if it is issued by a U.S. court. The ruling effectively compels Volkswagen to abandon its first line of defense in the civil case that GM filed in March in a federal court in Detroit.

Efforts to escape GM's process servers developed a sense of intrigue last month at a meeting of Volkswagen's top executives at a hotel in Vancouver. According to sources close to GM, private detectives hired by the U.S. automaker had tracked the VW executives to the hotel, but the executives — some accompanied by bodyguards — eluded GM's men as they approached them in the lobby with the papers.

Volkswagen confirmed that on May 22, GM's agents attempted to serve GM's pretrial documents but only ended up hurling the "10 to 15 centimeter-thick deed" at their backs.

Volkswagen asserted that the summons service was unsuccessful, according to Klaus Kocks, a board member.

The episode marked the latest twist in a three-year affair that at times has ignited national acrimony in both Germany and the United States, has involved some of the auto world's leading industrialists and has unfolded with the suspense of a detective novel. The case has played out in four separate legal venues in two countries.

A U.S. trial cannot begin until the documents for the complaint and the summons — which commands a person to appear in court and to respond to charges — have been presented to the defendants.

Specifically, Volkswagen took issue with a U.S. legal instrument employed by GM called a Racketeer Influenced Corrupt Organizations action, known as RICO, which allowed GM to file a civil suit with criminal penalties. Under a RICO suit, a defendant can be liable for three times the damages that it would otherwise have to pay.

Volkswagen asked a German court whether it must accept a summons in a RICO suit, which the German company said it associated with "organized crime" and thus rejected, Mr. Kocks said. The court ruled against Volkswagen, which said Friday that it would accept the summons.

As early as 1994, Volkswagen began to collect legal opinions from German experts that supported the company's argument that German defendants could reject process servers for a RICO complaint, Mr. Kocks said.

The affair began in March 1993 when José Ignacio López de Arriortúa, a former GM executive, quit GM to go to work at VW. GM alleged that Mr. López and seven other former GM managers had taken "vast quantities" of sensitive documents about purchasing and production plans with them. Volkswagen has denied the charges, and Mr. López remains employed at the company.

German prosecutors this week announced another delay in their separate criminal investigation of Mr. López. Now German authorities say they cannot decide until this autumn at the earliest whether to seek an indictment. Originally, a decision was due last year in the investigation that began in April 1993.

■ KHD Reaches Bank Accord

Klöckner-Humboldt-Deutz AG said it reached final accords with banks, the German government and others supporting a company rescue plan valued at 1.05 billion Deutsche marks ($694.1 million), Bloomberg Business News reported.

"Legal commitments from all the important participants in the reorganization are in hand," KHD said. It said the danger of bankruptcy caused by losses and a cover-up scandal at a unit, Humboldt Wedag AG, had been "averted for all the companies of the KHD group."

China Talks Intensify

Reuters

BEIJING — Charlene Barshefsky, the acting U.S. trade representative, arrived in China on Friday for last-ditch talks to try to avert a trade war over copyright theft, saying much remained to be done over the weekend.

"We are now in the process of working to fully understand the scope of these actions," she said referring to a series of announcements by Beijing in the past few days of measures to stamp out copyright piracy. Chinese officials said her decision to join the talks appeared to signal that a last-minute agreement could be on the horizon. Washington says it will impose $2 billion of trade sanctions Monday unless Beijing takes decisive action to clamp down on theft of intellectual property. China has vowed to retaliate with similar punitive tariffs on U.S. goods.

Beijing has trumpeted its recent clampdown on pirates, in which authorities have steamrollered pirated compact disks, revoked business licenses of two compact-disk plants, closed six illegal assembly lines and intercepted exports. On Friday, China took aim at book distributors to try to curb intellectual property-rights infringement, the official Xinhua news agency said.

Bonn Warns Telecom Venture at Risk

Reuters

BONN — The German government on Friday warned the upper house of Parliament that its rejection of a key telecommunications bill would cause serious delays and could endanger Deutsche Telekom AG's Global One alliance.

The alliance between the German telecommunications giant, France Telecom and Sprint Corp. of the United States will only gain final approval from the European Commission if a further step is taken on July 1 to open telecommunications markets.

"This liberalization is the precondition for the European Commission's approval of the joint venture between Deutsche Telekom and France Telecom," the German post and telecommunications minister, Wolfgang Bötsch, said in a speech to the upper house.

"Should this not occur, then one of the largest international telecommunications projects with German participation is in danger," he added.

The upper house, which represents the federal states, rejected the bill and is seeking changes in key passages in a special mediation committee of both houses of Parliament.

The majority of the federal states rejected a proposed amendment to the bill that would allow local communities to charge levies to telecommunications companies for the right of way for the laying of communications cables.

But the states made clear that they would still seek greater influence in the regulatory authority that will be set up in 1998 as a market watchdog.

Concerned that heightened competition would improve service in cities at the expense of rural areas, the states are also seeking guarantees in the law that rural areas would benefit from lower prices and technological innovations.

"We are in favor of introducing competition quickly," said Peter Fischer, the economics minister of Lower Saxony. "But it should be competition that provides advantages not only to densely populated areas but also to the broad population."

Representatives of the upper house said they expected the bill could gain final passage in the chamber's last official session before the summer recess on July 5. If not, an extraordinary session could take place July 19.

ECONOMIC SCENE

U.S.'s China Trade Adds Up to a Plus

By Paul Blustein
Washington Post Service

WASHINGTON — As a vote in Congress draws near on whether to allow China to keep its most-favored-nation trading status — which effectively keeps U.S. markets open to Chinese goods — those who favor punishing Beijing for its abuses of human rights are advancing an economic argument to back up their moral one: Trade with China not only is undesirable from a human-rights standpoint, they argue, but also hurts the U.S. economy.

The economic argument, often cited by China's critics on both the left and the right in the United States, revolves around the fact that U.S. imports of Chinese goods have grown much more rapidly than China's purchases of American products. That has caused the U.S. trade deficit with Beijing to triple in the first half of the 1990s.

"Our $34 billion 1995 trade deficit with China depresses job creation, wages and growth of the U.S. economy," Senator Russell Feingold, a Democrat from Wisconsin, said at a news conference held last week by groups opposed to continuing China's most-favored-nation status.

But whatever the merits of cutting off Beijing's U.S. market access as punishment for its mistreatment of dissidents and other acts, the economic case against trade with China involves some questionable reasoning.

In attacking the increasing deficits the United States is piling up with China, for example, Beijing's critics assume that Americans are buying Chinese goods in place of U.S.-made products. But that is not necessarily so; Chinese imports might simply be muscling out imports from other countries.

Marcus Noland of the Institute for International Economics has concluded in a study that rapidly expanding trade between the United States and China is a lot less harmful than the deficit figures would indicate. Indeed, the overall impact on the U.S. economy "is positive, though probably not large," he wrote.

Chinese imports, Mr. Noland said, "have largely displaced imports from third countries, not domestic production." Meanwhile, U.S. companies and workers benefit in significant ways from exporting to China.

According to Mr. Noland's paper, Chinese imports are "overwhelmingly concentrated" in the area of light manufactured goods. He said he examined 460 product categories before concluding that, for the most part, China is winning the low-priced end of markets such as shoes, clothing and electronics away from countries where wages have risen too much to remain competitive.

In assessing what happened as trade between the United States and China exploded in 1988-94, Mr. Noland said he found that the small negative effect on U.S. production was offset by increased U.S. exports to China.

Of course, this does not mean China's trade practices should be ignored.

In an article in the current issue of The International Economy, Greg Mastel and Andrew Szamosszegi of the Economic Strategy Institute say that China's overall trade performance from 1988 to 1995 closely resembled the surpluses racked up by Japan during its economic takeoff of the late 1960s. This is disturbing, the authors said, because it symbolizes the way China "seems to be patterning many of its policies upon Japan's industrial and trade policies."

Beijing, of course, stands accused of protectionist practices; the current U.S. complaint about intellectual piracy is just one example. China forces most foreign companies trying to crack its market to build factories and research facilities there, and the foreign technology used there is often stolen. To build up industries such as carmaking, Beijing imposes extraordinarily high tariffs on vehicles and parts.

Still, it does not necessarily follow that the U.S.-China economic relationship is a net negative for the United States, or that China's surplus is bad in and of itself.

As Mr. Mastel and Mr. Szamosszegi wrote, "Countries that trade fairly can sometimes run trade surpluses, while unfair traders can run deficits."

They added, "The real reason to be concerned with China's trade policy is its persistent protectionism, not its growing trade surplus."

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Frankfurt	1.532	2.3419	—	0.2947	0.9025*	0.8928	4.8612*	1.22	1.4003*	1.113	1.1822*
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Madrid	128.593	197.737	84.534	24.902	8.307*	75.474	4.0691	103.114	118.81*	93.85	—
Milan	1,547.00	2,385.00	1,018.00	299.74	—	906.80	49.203	1,239.30	14.317	1,128.95	13,906
New York (b)	—	1.5374	1.5275	5.126	1,540.88	1.7167	31.43	1.2565	108.15	1.3655	128.59
Paris	5.164	7.9405	3.3947	—	0.3336*	3.8009	0.165	4.1488	4.774*	3.7888	428.45*
Tokyo	108.75	166.93	71.39	21.01	0.705	63.59	3.4672	84.39	—	79.54	8.8459
Toronto	1.365	2.0975	0.8957	0.2636	0.0882*	0.7981	0.4344*	1.0843	1.2497*	—	1.058*
Zurich	1.2913	1.9222	0.8211	0.242	0.8089*	0.7331	3.9919*	—	1.1501*	0.9152	0.9717*
1 ECU	1.2556	0.8166	1.9168	6.484	1,943.71	2.1393	39.2946	1.5459	135.82	1.7285	161.51
1 SDR	1.4454	0.9396	2.2002	7.4649	2,237.16	2.463	45.2825	1.8036	157.133	1.9908	185.944

Closings in Amsterdam, London, Milan, New York, Paris, Toronto and Zurich; fixings in other centers.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9988	Greek droc.	241.66	Mex. peso	7.605	S. Afr. rand	4.7185
Australian $	1.3621	Hong Kong $	7.7417	N. Zealand $	1.4872	S. Kor. won	797.40
Austrian sch.	10.695	Hung. forint	153.20	Norw. krone	6.5412	Swed. krona	6.6809
Brazil real	1.022	Indian rupee	34.96	Phil. peso	26.15	Taiwan $	27.65
Chinese yuan	8.3421	Indo. rupiah	2326.50	Polish zloty	2.74	Thai baht	25.36
Czech koruna	27.95	Irish £	0.6322	Port. escudo	158.21	Turkish lira	79184.5
Danish krone	5.9002	Israeli shek.	3.2615	Russ. ruble	5037.00	UAE dirham	3.671
Egypt. pound	3.3935	Kuw dinar	0.2795	Saudi riyal	3.75	Venez. bolív.	471.63
Fin. markka	4.6834	Malay. ring.	2.4925	Sing. $	1.4085		

Forward Rates

	1 Month	3 Months	6 Months		1 Month	3 Months	6 Months
Pound Sterling	1.5370	1.5367	1.5365	Japanese yen	108.05	107.71	107.27
Canadian dollar	1.3695	1.3667	1.3668	Swiss franc	1.2457	1.2405	1.2403
Deutsche mark	1.5198	1.5177	1.5152				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Eurocurrency Deposits — June 14

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5¼ - 5⅜	3¼ - 3⅜	2⅝ - 2¾	5⅝ - 5¾	3¼ - 3⅜	⅜ - ½	4⅛ - 4¼
3-month	5⅛ - 5¼	3⅛ - 3¼	2⅝ - 2¾	5⅝ - 5¾	3⅜ - 4	⅜ - ⅝	4⅛ - 4¼
6-month	5⅛ - 5¼	3⅛ - 3¼	2½ - 2⅝	5¼ - 5⅜	4 - 4⅛	⅝ - ¾	4⅛ - 4⅛
1-year	5 - 5¼	3¼ - 3⅜	2⅝ - 2¾	5⅛ - 5¼	4¼ - 4⅜	¾ - 1	4⅛ - 4⅜

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8¼	8¼
Federal funds	5¼	5¼
3-month CDs	5.04	5.03
CP 180 days direct	5.11	5.11
3 month Treasury bill	5.06	5.10
1-year Treasury bill	5.45	5.51
2-year Treasury bil	6.25	6.32
5-year Treasury note	6.70	6.77
7-year Treasury note	6.79	6.86
10-year Treasury note	6.93	7.00
30-year Treasury bond	7.09	7.13
Merrill Lynch 30-day TA	4.78	4.78
Japan		
Discount rate	0.50	0.50
Call money	0.39	0.41
1-month interbank	0.53	0.53
3-month interbank	0.56	0.59
6-month interbank	0.69	0.69
10-year Govt bond	3.21	3.19
Germany		
Lombard rate	4.50	4.50
Call money	3.35	3.37
1-month interbank	3.40	3.40
3-month interbank	3.40	3.40
6-month interbank	3.45	3.40
10-year Bund	6.66	6.59

Britain	
Bank base rate	5¼
Call money	5⅛
1-month interbank	5⅛
3-month interbank	5⅛
6-month interbank	5⅛
10-year Gilt	8.11
France	
Intervention rate	3.40
Call money	3¼
1-month interbank	3¼
3-month interbank	3⅜
6-month interbank	4⅛
10-year OAT	6.65

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

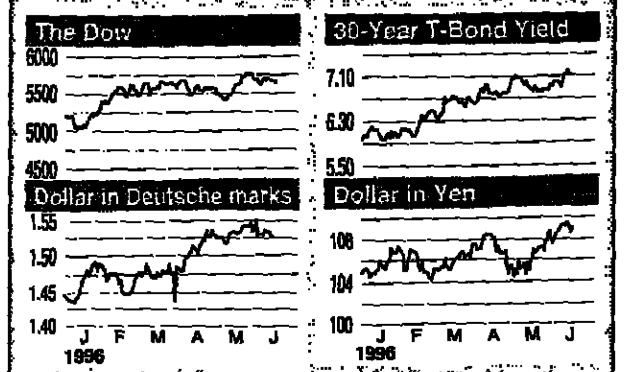
	A.M.	P.M.	Chge
Zurich	383.05	384.25	−0.40
London	383.20	384.10	−0.60
New York	386.50	387.10	+0.60

U.S. dollars per ounce. London official fixings; Zurich and New York opening and Closing prices: New York Comex (Aug.)
Source: Reuters.

صكذا من الأصل

THE AMERICAS

Investor's America



Exchange	Index	Friday Close	Prev. Close	% Change
NYSE	The Dow	5649.45	5658.08	-0.29
NYSE	S&P 500	665.85	667.82	-0.31
NYSE	S&P 100	642.32	644.57	-0.35
NYSE	Composite	357.19	358.09	-0.25
U.S.	Nasdaq Composite	1214.06	1226.69	-1.09
AMEX	Market Value	593.85	596.73	-0.48
Toronto	TSE Index	5028.19	5068.61	-0.78
São Paulo	Bovespa	56106.00	54902.40	+2.19
Mexico City	Bolsa	3174.88	3183.75	-0.28
Buenos Aires	Merval	585.29	582.39	+0.49
Santiago	IPSA General	5497.14	5504.84	-0.14
Caracas	Capital General	N.A.	4283.71	

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

Copper Drags Down Chile's Stocks

SANTIAGO (Bloomberg) — Chilean stocks fell Friday, weighed down by a plunge in copper prices, although losses were limited by expectations interest rates could decline.

The selective stock index, or IPSA, fell 0.37 points, or 0.36 percent, to 101.22. The general stock index declined 7.96 points, or 0.14 percent, to 5,496.88. Copper accounts for about 40 percent of Chile's export revenue.

U.S. Industrial Production Rises

WASHINGTON (AP) — Industrial production rose 0.7 percent in May, pushed by gains in utilities, business equipment and durable goods, the Federal Reserve Board said Friday.

The Fed added that output at U.S. factories, mines and utilities in April was revised to a gain of 0.7 percent from the 0.9 percent gain originally reported.

• **Micron Technology Inc.** said its third-quarter profit plunged to $58.2 million from $220.2 million as prices for its memory chips dropped; the company recorded one-time gains of $12 million in the latest quarter, compared with $29 million a year earlier. Revenue rose to $771.0 million from $761.2 million.

• **National Semiconductor Corp.** has changed its management structure, reducing its divisions to four from seven; the changes came a week after the company reported an 88 percent drop in fourth-quarter earnings, to $9.1 million.

• **Netscape Communications Corp.** said it had reached agreements with **America Online Inc.** and a unit of **Softbank Corp.** to sell advertisements on its site on the Internet.

• **Motorola Inc.** is to unveil Monday a "major new software enhancement" to its wireless dispatch technology, which allows users to send and receive wireless text messages, paging and voice and data services. *AP, Bloomberg*

Senate Agrees To Clear the Way For Greenspan

By Richard W. Stevenson
New York Times Service

WASHINGTON — Senate leaders have broken the logjam holding up the confirmation of the Federal Reserve chairman, Alan Greenspan, for a third term, with Republicans agreeing to Democratic demands for an extended debate on monetary policy over several days before a confirmation vote is held Thursday.

Within hours of the agreement, Senator Tom Harkin of Iowa, the Democrat whose demands for a debate have held up confirmation, began making his case on the Senate floor that an excessive focus by Mr. Greenspan on reducing inflation was keeping the U.S. economy from growing at its full potential.

But even as the Senate undertook its most extensive arguments to date over the Fed chairman's record, Republican and Democratic leaders alike said they expected Mr. Greenspan to win easy confirmation.

The Fed chairman's term expired in March, and he has been serving in an acting capacity since then. His new four-year term will begin when he is confirmed.

The agreement also unfreezes the nominations of two other appointees to the seven-member board of Federal Reserve governors — Alice Rivlin, the White House budget chief, whom President Bill Clinton named to be the central bank's vice chairman, and Laurence Meyer, a St. Louis economist.

Republican senators had been unwilling to grant Mr. Harkin's demand for three days of debate and were happy to have the Democrats fighting among themselves over the nominations. But there was increasing concern within Mr. Clinton's government and in the Senate that further delay could unsettle the financial markets, leading to higher interest rates.

"I hope we can have a good back-and-forth among those who believe we ought to have a much more aggressive monetary policy than we do," said the Senate's Democratic leader, Thomas A. Daschle. "Once the Greenspan nomination is gone, we may not have that chance again for some time."

Mr. Harkin's argument that the Fed under Mr. Greenspan has taken its war against inflation too far has little support among economists. But it has been welcomed by some industrialists, who feel that high interest rates are cramping growth.

Mr. Harkin said: "This debate about Chairman Greenspan's policies and their impact on the economy, about how we can get our economy to grow faster, about how we can create jobs and raise incomes, zeroes in on the most important issues we face."

Defending Mr. Greenspan, Senator Charles E. Grassley, Republican of Iowa, said the chairman "has been pretty good at bringing confidence" to the financial system, and that the real economic debate should not be over monetary policy but over balancing the budget.

Mr. Greenspan has long defended his focus on reducing inflation as the way to give the economy a stable foundation for growth. He has always said that he has no preconceived notion of how rapidly the economy can grow and that he tries to stamp out inflation before it takes root by watching for early warning signals of rising wages and prices.

High-Tech Earnings Chill Wall Street

Compiled by Our Staff From Dispatches

NEW YORK — U.S. stocks fell Friday, led by Intel and International Business Machines, amid concern that growth is slowing in the computer industry.

Disappointing earnings at the chipmaker Micron Technology and a bevy of warnings from computer-related companies contributed to the decline.

The Dow Jones industrial average fell 8.50 points, to 5,649.45, while the Nasdaq composite index, heavy with computer companies, retreated 12.46 points, to 1,213.19.

Mining companies lost ground as copper prices plunged amid concern that Japan's Sumitomo would unload some of its horde of the metal. Sumitomo said after the close of trading Thursday that its former chief copper trader had concealed $1.8 billion in losses.

Asarco fell ¾ to 28⅜, Freeport McMoRan Copper & Gold fell ⅜ to 30½, and Phelps Dodge eased ½ to 65.

Other metals companies also slid as investors anticipated slower growth in the second half of the year. Alcoa fell ¾ to 58⅝, and Inco eased ¼ to 31⅞.

Semiconductor shares fell for a second day after Micron reported earnings for its third quarter that were below expectations and said it was likely to

U.S. STOCKS

show a loss for the current quarter. Micron fell ½ to 29¾, Intel slumped 2 to 73, IBM was off 1⅜ at 101⅞, and Lam Research dropped 1¼ to 30½.

A warning of slow sales at Madge Networks, a computer network company, depressed other network shares.

Madge dropped 6⅛ to 17⅛, Cisco Systems fell ⅝ to 55¼, and Bay Networks slid ⅞ to 27⅛.

Communications shares dropped after California Microwave, a wireless company, said it expected its fourth-quarter profit to fall short of analysts' forecasts because of lower-than-expected sales. California Microwave fell 2⅛ to 16⅜, and Qualcomm fell 2 to 48¼.

Expectations of a slowing economy benefited shares of steady-earning drug and consumer products companies.

Pfizer rose 3⅛ to 75¾, and American Home Products rose ¾ to 59½, while Philip Morris gained ¾ to 59½ and Kimberly-Clark rose ¾ to 73½.

It was the second consecutive session of falling stock prices despite an improvement in the bond market, where interest rates continued to back away from 13-month highs set earlier in the week.

The yield on the benchmark 30-year Treasury bond fell to 7.09 percent from 7.13 percent Thursday after a report from the Federal Reserve Board showed that U.S. factories operated at a higher rate in May than in April.

Helping depress stocks was news that the flow of money into mutual funds slumped to about $2.2 billion in the latest week from about $5.7 billion in the previous week. The flood of cash into mutual funds had been one of the market's main supports this week. *(Bloomberg, AP)*

Dollar Rebounds on Back of Bonds

Bloomberg Business News

NEW YORK — The dollar rebounded from early declines Friday as bond prices rose, spurring hope that the rally that lifted the currency to a 28-month high against the yen this week would continue.

Bond prices jumped, erasing an early loss, after a Federal Reserve report showed that U.S. factories ran at 83.2 percent of capacity in May, up from 82.9 percent in April. The report suggested the economy was not expanding as rapidly as some traders had thought and reduced concern that inflation and interest rates were poised to rise.

The dollar traded at 1.5275 Deutsche marks in New York, almost unchanged from Thursday's close of 1.5271 DM. It also gained to 109.150 yen from 108.665. The dollar slid earlier as growing optimism that President Boris N. Yeltsin of Russia would finish first in Sunday's presidential election bolstered

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the mark. The prospect of political stability in Russia helps the mark because of close economic ties between the two nations. Germany is Russia's No. 1 trading partner and its largest creditor.

The ascent that took the dollar to a 28-month high of 109.70 yen Tuesday and to a 16-month high of 1.5488 DM on May 28 is still intact, analysts said.

The dollar was lower early Friday on the news of trading losses by Sumitomo Corp. and concern over U.S.-Japan trade tensions. Traders had been looking to sell dollars after the currency failed to make much progress recently, and the possibility of cash being drawn back to Japan to deal with the copper problem gave them reason to do so.

The dollar rose to 1.2565 Swiss francs from 1.2545 but fell to 5.1760 French francs from 5.1820. The pound rose to $1.5370 from $1.5351.

AMEX

Friday's 3 p.m. The top 300 most-active shares, up to the closing on Wall Street.
Friday's 4 p.m. Close

Stock	Sales	High	Low	Latest	Chge
AIM Str	391	9⅝	9 11/16	9 11/16	—
AMC	144	28	27⅝	27⅝	—⅜
ARC	406	3 13/16	3⅝	3⅞	+1/16
Action	663	1 9/16	1 9/16	1 9/16	+1/16
AdvMag	90	19⅝	18½	18½	—1
AdvMed	163	2 11/16	2⅝	2⅝	—
Aeroson	92	2⅞	2¾	2⅞	—1/16
AirWat	2163	6 9/16	6 7/16	6 9/16	+1/16
AHoagen	846	13⅝	12½	12⅝	+½
AlldRsh	149	4⅝	5⅜	6	+⅛
AlleuH	146	7	7	7	—
Alphaln	475	9½	9 5/16	9⅜	+1/16
AlpinGr	383	5⅝	5 9/16	5 9/16	—
AmdhI	1331	11¼	11	11	—⅜
ABodyAr n	262	8⅝	8⅝	8⅝	+⅛
AExpl	113	13¼	12⅞	13	—
Ampal	134	5 9/16	5 7/16	5 7/16	—
Ampex n	5644	11⅜	10⅝	10⅝	—¼
Andrea	251	9 9/16	9½	9⅝	—
Aerosnx	321	1½	1 7/16	1½	+1/16
Astrotc	177	6⅝	6½	6 9/16	+⅛
Atari	11891	7⅛	6⅝	6 11/16	—⅜
Atlantis	253	5¼	5	5	—⅜
Audvox	898	6 5/16	5⅞	6 5/16	+5/16
Autotote	909	3	2⅞	2⅞	—1/16
Azco	719	1½	1⅜	1½	—
BAT Ind	525	16	15⅞	15 15/16	—1/16
Balnty n	210	15⅝	14⅞	15⅜	—⅜
BSJpn wt	167	2⅜	2½	2½	—⅜
BSNk wt97	99	10⅝	10	10⅝	+½
BemaGold	9732	4⅛	3 15/16	4 1/16	—⅛
BentPh s	1292	3⅝	3½	3⅝	+⅛
BentPh wt	2209	1 5/16	1¼	1 5/16	+1/16
Biovail s	325	35⅝	35½	35½	—¼
BlairCp	198	25½	24⅞	25¼	+¼
BlondT n	334	16⅝	16⅝	16⅝	—¼
BogenC n	153	4⅝	4⅝	4⅝	—
Bogen wt	320	1⅛	⅞	1	—
Boskrid n	185	12⅝	12¼	12¼	—
Bowne	379	22⅝	21⅞	22	+⅛
CE Frnk	110	2⅝	2½	2⅛	—⅛
CFX Co s	274	15⅛	14⅝	14⅞	+⅜
Cablvsn	143	47⅞	47⅝	47⅞	+½
Cablvs pf	116	26½	26⅜	26½	+⅛
Cabletel	304	5 13/16	5⅝	5⅝	+¼
Cambior	529	13¼	12⅞	13	—¼
Cardtch n	1376	5⅝	4⅝	5	+½
GldFld	110	⅜	5/16	⅜	+1/16
GldwSam	164	5⅞	5⅞	5⅞	—
GormRup	347	13⅛	13	13	—⅛
Grang g	385	1⅞	1¾	1⅞	—1/16
Greenbr s	98	16⅛	16	16⅛	+⅛
GrayLne	1297	4½	4⅜	4½	+⅛
GrifGom	983	16¼	15	15⅞	+⅞
HalEP	446	6⅛	5⅞	6⅛	—
Halsey	160	5⅝	5½	5⅝	+⅛
HanoOr	287	5⅞	5½	5½	—⅛
HanvDir	1679	1 13/16	1 11/16	1⅞	—
Han wtB	319	5/16	5/16	5/16	
Harken	1682	2 13/16	2⅝	2⅝	—1/16
Hasbro	1594	37⅝	37	37¼	+¼
HawAir n	1409	5⅝	5⅛	5⅛	—3/16
HlthPro s	1271	4	3⅞	4	+⅛
Hearx n	1297	5⅝	5⅜	5 9/16	—1/16
Heico s	121	25⅝	25⅜	25⅝	+¼
Hemlo g	2996	11½	11⅛	11⅜	
HoopHl	309	13⅛	12⅝	12⅝	—⅜
HovnEn	304	6 9/16	6 5/16	6⅜	—1/16
IGI	453	8	7⅝	7 15/16	+5/16
Identix	731	14	13½	13⅝	—⅜
ImpCM n	189	16⅝	16¼	16½	+¼
ImpOil g	259	41	40½	40⅝	+⅛
IncOpld	120	11⅜	11¼	11⅜	+⅛
Instron	291	13⅝	13½	13⅝	—
Intelcm	1044	27⅛	26⅝	27	
IntCPd	647	2 13/16	2⅝	2 11/16	—⅛
InterDig	4190	10⅝	10⅛	10⅛	—
ecInfrine	308	4 1/16	3⅞	3 15/16	—1/16
Intrmagn	287	19	18⅝	18⅞	+⅛
IRIS	271	11¼	11⅛	11⅛	—⅛
Intrsystm	164	1 13/16	1½	1⅝	—1/16
IonLaser	329	22½	21½	21⅝	—⅜
IvaxCp	2349	27⅛	26⅝	27⅛	
JanBell	270	3 3/16	3	3	—1/16
Jade	715	7	6⅝	6⅞	—⅛
KFX Inc	118	7⅜	7¼	7¼	—⅜
KeyEng	144	8⅝	8	8⅝	—
Kirby	210	17⅝	17	17⅝	+⅛
KnogoNA	328	12⅛	11⅞	11⅞	—⅛
KoorEn	444	13¼	13	13¼	+⅛
KogEq wt	150	6⅝	5 9/16	5 9/16	—1/16
LXRBiot	177	4⅝	4⅜	4 9/16	+1/16
LaBarg	672	9 5/16	8⅞	9	—⅛
Laser	155	17⅝	16⅝	17	—
LsrTech	473	6⅝	6	6⅜	—⅛
LsrTc wt	270	1⅝	1⅜	1⅝	—⅛
LehMU	103	23⅝	23	23⅝	+⅝
LilVern	174	13⅝	13⅜	13⅝	—¼
Lumex	417	11¼	11⅛	11⅛	+⅛
MSR	117	1 3/16	1 1/16	1 1/16	—
MachSc	991	10	9⅝	9⅝	—⅛
ShefldMd	355	5⅝	4⅞	5 9/16	+1/16
Silco	122	7 15/16	7⅞	7⅞	—
SenTech	146	7⅞	7⅝	7⅝	—
Smithln	108	10	9⅝	10	+⅛
ecSoligen	144	1 7/16	1⅜	1½	—
SpcChm	127	3 9/16	3⅜	3⅜	—
SptSup wt	162	⅛	⅛	⅛	—
SPDR	14190	67⅛	66 13/16	66 27/32	—1/16
SP Mid	116	47 13/32	47 9/32	47⅜	—⅛
Stephan	222	16⅝	16⅛	16½	+⅛
StoneStB n	180	16⅝	16⅜	16⅜	—
StrpCmp	312	17⅜	16⅝	16⅞	+⅜
Sulcus	345	3⅝	3⅜	3⅜	—
SumTx	464	10⅝	10¼	10⅜	—¼
SunNur	92	1 11/16	1⅝	1⅝	—1/16
SuprSrg	222	12	11⅝	11⅞	—
SuretyC	193	4⅞	4 9/16	4⅞	+⅛
TPC Cp	179	7⅜	7¼	7¼	—⅛
Tache	490	13⅛	13	13⅛	—
Technitrl	225	42½	42	42½	+½
TejnR	106	15⅝	15½	15⅝	+⅛
TelDta	731	46⅛	45⅝	46⅛	+⅜
TexBiotch	999	5	4⅞	4⅞	—⅛
TexBi wt	178	1 9/16	1 9/16	1 9/16	—
TexMer	812	18⅝	18⅜	18½	+¼
Thermed	581	27⅝	27	27⅛	—1
ThCar s	1302	48⅝	47½	48⅛	—1⅛
ThmFib s	99	29⅝	29¼	29⅛	—⅜
ThrInst	196	38⅛	37⅝	37⅞	—⅛
ThrOptk n	420	13½	13¼	13¼	—⅜
ThrmPw	101	12½	12⅜	12⅜	—⅛
ThrSent n	134	15⅝	15½	15½	—
ThrVolt	127	21½	21⅛	21½	+⅜
Thrmolse	187	28⅝	28⅛	28⅛	—⅛
Thrmotx	308	50	49	49	—1
Thrmwd	872	2⅝	2½	2 9/16	+1/16
Tipperry	2768	4 11/16	4⅝	4 11/16	—1/16
TopSrce	884	6 9/16	6⅜	6⅜	—
TotlPet	247	11⅞	11⅝	11⅝	—⅛
TownCty	665	1	⅞	15/16	+1/16
TWA n	2756	20⅝	19⅝	20	—
Transcis	152	5⅝	5⅝	5⅝	—
Trnsmnt n	93	13⅝	13⅝	13⅝	—⅛
Triton	90	⅝	½	½	—
TubMex	143	9 1/16	8 15/16	9	—⅛
TurnB A	955	27½	27	27⅛	—⅜
TurnB B	1485	27⅝	27⅛	27⅛	—
US Alc	954	2 13/16	2 11/16	2⅝	—1/16
UTI Eng	221	12⅛	11⅝	12	+⅛
Unapix	150	4⅞	4¾	4⅞	+1/16
UniMrt	100	7⅝	7½	7⅝	+1/16
Unimar	214	4⅝	4½	4 9/16	—
USBiosd s	1532	16⅛	15⅝	15⅝	—⅜
US Cell	316	32¼	31½	31½	—⅜
Uranlte s	473	13⅝	13½	13⅝	+½
Verex	88	4⅝	4½	4½	—⅛
Viacom	893	37⅝	37	37⅛	—⅜
ViacB	6525	39⅛	37⅞	38½	—½
Viac wtC	583	11/16	⅝	11/16	—
Viac wtE	403	2 1/16	2½	2⅝	—1/16
Vitronic	387	2 1/16	2	2	—
WRIT	357	16	15½	16	+⅛
Wendtbr	192	1	⅞	1	+⅛
WIRET	241	13⅛	12⅝	12⅞	+⅛
WishTc	141	1 11/16	1⅝	1 11/16	—
WirelsT s	1625	11⅞	11⅝	11⅞	+⅛
ecWizTch	477	8⅛	7⅞	7⅞	—1/16
WEB Bel n	469	15 9/16	15 7/16	15 9/16	+3/16
WEB Bri n	765	15⅝	15 7/16	15 7/16	—⅛
WEB Jpn n	3149	15 9/16	15 7/16	15⅝	+1/16
XCL Ltd	3571	⅜	5/16	⅜	—
Xytron	111	2 9/16	2 9/16	2 9/16	—

Stock	Sales	High	Low	Latest	Chge
CenterT s	274	[illegible]	[illegible]	[illegible]	[illegible]
CFCda g	190	[illegible]	[illegible]	[illegible]	[illegible]
ChadThr s	239	[illegible]	[illegible]	[illegible]	[illegible]
CheySoft	3087	[illegible]	[illegible]	[illegible]	[illegible]
Citizinc	159	[illegible]	[illegible]	[illegible]	[illegible]
Magellan	208	[illegible]	[illegible]	[illegible]	[illegible]
Maxam	377	[illegible]	[illegible]	[illegible]	[illegible]
GldStarR	678	13⅝	13⅛	13⅜	—⅛
Servico	907	14½	15⅛	14⅞	+1⅛

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	5662.75	5664.97	5630.99	5649.45	—8.50
Trans	2210.87	2214.58	2200.31	2203.45	—10.56
Util	206.68	207.94	206.33	207.45	+1.05
Comp	1838.54	1839.39	1830.42	1834.94	—3.18

Standard & Poors

	High	Low	Close	Chg.
Industrials	797.76	792.36	794.38	—2.83
Transp.	515.04	511.59	512.87	—2.17
Utilities	188.83	187.64	188.07	—0.43
Finance	67.21	66.83	66.94	—0.07
SP 500	668.40	664.35	665.85	—2.07
SP 100	645.24	640.80	642.32	—2.25

NYSE

	High	Low	Last	Chg.
Composite	358.36	356.42	357.19	—0.89
Industrials	458.75	456.26	457.28	—1.23
Transp.	330.95	329.08	329.53	—1.42
Utility	245.65	244.06	244.38	—0.84
Finance	295.21	294.01	294.24	—0.34

Nasdaq

	High	Low	Last	Chg.
Composite	1222.80	1214.06	1214.06	—11.59
Industrials	1155.99	1148.17	1148.17	—8.84
Banks	1075.37	1072.41	1074.95	+2.79
Insurance	1307.15	1301.43	1301.43	—3.71
Finance	1306.45	1304.69	1304.74	+1.49
Transp.	921.78	917.56	918.00	—3.22

AMEX

High	Low	Last	Chg.
597.25	592.69	593.85	—2.88

Dow Jones Bond

	Close	Chg.
20 Bonds	101.27	+0.02
10 Utilities	97.78	— 0.21
10 Industrials	104.76	+0.25

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
Vodafone	27964	37½	36⅝	37⅜	+⅞
K mart	15792	16	13⅝	13⅝	—¼
Metromdi n	63021	22⅝	21½	21⅝	—
MicrnT	47986	30⅝	29½	29¾	—½
McDnlds	42977	47⅞	46⅝	47⅛	—⅝
PhilMr	41066	105⅝	104⅝	105⅝	+1½
LILCo	39208	17⅞	17⅛	17⅛	—
Pfizer	33463	75⅞	72⅝	75⅝	+3⅛
WMX Tc	29880	33⅛	32	32⅛	—⅞
WalMart	28858	26⅛	25⅞	26⅛	+⅛
Oreslt	28049	13⅛	12½	13	—½
AT&T	27447	62⅝	61⅝	62⅝	+1
BayNtwk s	25308	28⅛	27	27⅛	—⅞
GenElec	23444	86⅛	85	85⅝	+⅛
PepsiCo s	23144	33⅛	33⅛	33⅛	—⅛

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel s	76544	75	72⅞	73	—2
MadgeN	65671	18⅝	16	17⅛	—6⅛
Cisco s	50763	55⅞	54⅝	55¼	—⅝
Iomega s	44511	40⅛	38½	38⅝	—1
Quarterdk	43582	10⅝	9½	9⅝	—3⅛
DuPontPh n	42788	23⅛	19⅝	20⅛	
SunMics	40542	59⅝	56⅝	57	—3⅛
PapaMrt n	40250	13⅛	11½	11⅝	
AmerOn s	37859	47⅛	44⅝	45	—2⅝
3Com s	37837	47⅛	46⅛	47	—⅝
Microsft	34903	125	122⅝	123	—1⅝
IntStand	34318	7⅝	7⅛	7½	—⅛
Ventritx	31868	19⅝	18⅛	18⅝	+2⅛
Oracle s	30412	34⅝	33⅝	33⅝	—½
ICT Grp n	30102	23	19	22	—

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	14190	67⅛	66 13/16	66 27/32	—1/16
Atari	11891	7⅛	6⅝	6 11/16	—⅜
BemaGold	9732	4⅛	3 15/16	4 1/16	—⅛
ViacB	8525	39⅛	37⅞	38½	—½
Ampex n	5644	11⅜	10⅝	10⅝	—¼
XCL Ltd	3571	⅜	5/16	⅜	—
EchoBay	4333	11¼	11	11⅛	—
InterDig	4190	10⅝	10⅛	10⅛	—
RoyalO g	3707	3 9/16	3⅜	3 9/16	+1/16
WEB Jpn n	3149	15 9/16	15 7/16	15⅝	+1/16

Trading Activity

NYSE

	Close	Prev.
Advanced	1003	962
Declined	1321	1362
Unchanged	794	828
Total issues	3118	3152
New Highs	57	68
New Lows	33	49

Nasdaq

	Close	Prev.
Advanced	1648	1562
Declined	2099	2219
Unchanged	1790	1757
Total issues	5537	5538
New Highs	147	153
New Lows	34	53

AMEX

	Close	Prev.
Advanced	233	226
Declined	280	331
Unchanged	229	199
Total issues	742	756
New Highs	13	17
New Lows	8	11

Market Sales

	Today Close	Prev. cons.
NYSE	385.94	471.72
Amex	18.47	24.10
Nasdaq	459.31	548.47

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Angeles Mtg inv	-	.14	7-23	8-15
Davis WaterWaste	-	.11	6-24	7-3
Luxottica Grp ADR	b	.567	7-5	7-15
STOCK				
Helco Corp	-	10%	7-12	7-29
Peoples Bncp OH	-	10%	7-15	8-1
INITIAL				
Chubb Corp n	-	.27	6-28	7-16
Triathlon Broadcast	-	.294	6-18	7-1
Westwood Fincl	x	.05	6-30	7-19
SPECIAL				
Autostock Inc	g	.55	6-30	7-12
INCREASED				
Birmingham Util	Q	.125	6-24	6-30
Kenan Transport	Q	.0675	6-28	7-15
OSB Fincl	Q	.16	6-30	7-19
REDUCED				
Helco Corp	S	.05	7-12	7-29
REGULAR				
Abbott Labs	Q	.24	7-15	8-15
Atlantic Energy	Q	.385	6-24	7-15
Bay Meadows Op	S	.40	6-20	7-1
Camden Prop	Q	.475	6-28	7-17
Chelsea GCA	Q	.575	6-28	7-22
Essex Prop	Q	.425	6-28	7-15
Fst Michigan Bk	Q	.21	6-28	7-31
Humphrey Hosp	Q	.19	6-24	8-2
IL Pwr adjpf A	-	.75	7-10	8-1
Meritrust Fed Svg	Q	.15	6-28	7-9
Perkins Family	Q	.325	6-28	8-15
Petrolite Corp	Q	.28	7-5	7-26
Realty Inco Corp	M	.155	7-1	7-15
Sth West Prop	Q	.26	7-1	7-16
Trinity Ind	Q	.17	7-15	7-31
Universal Foods	Q	.25	8-2	9-3

x- pay date approx.

STOCK SPLIT
ACC Corp 3 for 2 split.
Aronex Concord EFS 3 for 2 split.
Fst Michigan BkCp 4 for 3 split.
PairGain Tech 2 for 1 split.
Performance Food 3 for 2 split.
Thermo Voltek 3 for 2 split.

REVERSE STOCK SPLIT
Sbarro Boffet 1 for 5 reverse split.

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

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INTERNATIONAL FUTURES

June 14, 1996

Grains

CORN (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
Jul 96	4.76¾	4.64¾	4.64¾	—0.12	89,933
Sep 96	3.96	3.85	3.85½	—0.11¼	69,864
Dec 96	3.54	3.48	3.48¼	—0.03½	147,198
Mar 97	3.58½	3.53	3.53¼	—0.03¾	21,085
May 97	3.61½	3.55½	3.55¾	—0.02¼	4,091

Est. sales N.A. Thu's. sales 65,279. Thu's open int 361,674 off 686

SOYBEAN MEAL (CBOT) 100 tons- dollars per ton

	High	Low	Close	Chge	Opint
Jul 96	237.20	234.10	235.80	+0.90	33,721
Aug 96	236.70	233.70	235.60	+1.20	14,126
Sep 96	234.80	232.00	234.30	+1.20	8,993
Oct 96	230.20	228.50	229.50	—0.10	4,442
Dec 96	230.20	227.60	228.70	—0.70	21,630
Jan 97	230.20	228.50	228.50	—0.40	2,399

Est. sales N.A. Thu's. sales 22,148. Thu's open int 88,128 off 338

SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.

	High	Low	Close	Chge	Opint
Jul 96	25.75	25.50	25.55	—0.22	28,606
Aug 96	25.93	25.70	25.72	—0.24	16,145
Sep 96	26.09	25.90	25.93	—0.23	8,049
Oct 96	26.21	26.10	26.10	—0.19	5,711
Dec 96	26.50	26.25	26.29	—0.26	23,574
Jan 97	26.55	26.35	26.35	—0.23	1,888

Est. sales N.A. Thu's. sales 19,398. Thu's open int 86,885 up 218

SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
Jul 96	7.73	7.65	7.69¾	+0.00¾	46,260
Aug 96	7.67½	7.60	7.63¾	—0.01	21,238
Sep 96	7.48½	7.42	7.43¾	—0.02	7,517
Nov 96	7.37	7.29	7.31¼	—0.04¾	85,981
Jan 97	7.42	7.36	7.37¼	—0.04¾	6,776

Est. sales N.A. Thu's. sales 53,724. Thu's open int 179,367 up 632

WHEAT (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
Jul 96	5.06	4.95	4.96	—0.08¾	32,859
Sep 96	5.10½	4.99½	5.00½	—0.09	25,091
Dec 96	5.20½	5.10	5.10½	—0.10	20,902
Mar 97	5.22	5.11	5.11¼	—0.07¼	2,632

Est. sales N.A. Thu's. sales 27,209. Thu's open int 83,390 up 566

Livestock

CATTLE (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jun 96	63.70	62.97	63.40	+0.20	5,770
Aug 96	66.35	65.42	66.32	+0.57	38,340
Oct 96	67.37	66.75	67.25	+0.30	24,253
Dec 96	65.20	64.70	65.10	+0.25	11,514
Feb 97	64.17	63.62	64.10	+0.28	11,087
Apr 97	66.95	66.50	66.70	+0.08	3,345

Est. sales 14,462 Thu's. sales 11,250. Thu's open int 96,120 off 534

FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Aug 96	61.70	60.50	61.55	+1.05	7,803
Sep 96	61.18	60.20	61.05	+0.83	2,807
Oct 96	61.30	60.55	61.22	+0.55	4,722
Nov 96	62.75	62.05	62.65	+0.50	2,354
Jan 97	63.90	63.50	63.88	+0.55	1,062
Mar 97	63.60	63.25	63.55	+0.45	721

Est. sales 3,142 Thu's. sales 2,694. Thu's open int 20,056 up 168

HOGS-Live(2/97 Lean) (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jun 96	60.90	59.75	60.87	+0.75	3,764
Jul 96	57.80	56.50	57.75	+0.75	8,356
Aug 96	54.80	53.85	54.65	+0.30	11,482
Oct 96	49.95	49.00	49.77	+0.10	5,844
Dec 96	52.90	52.00	52.85	+0.38	5,633
Feb 97	74.80	73.70	74.65	+0.30	1,545

Est. sales 7,786 Thu's. sales 10,454. Thu's open int 37,734 up 343

PORK BELLIES (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 96	75.30	74.75	74.75	—2.00	4,499
Aug 96	72.80	71.82	72.05	—1.77	3,041
Feb 97	78.10	76.50	77.72	—0.78	775
Mar 97	79.35	77.90	79.35	—0.55	58
May 97	80.40	78.75	80.40	—0.35	58

Est. sales 2,507 Thu's. sales 2,934. Thu's open int 8,431 off 394

Food

COCOA (NCSE) 10 metric tons- $ per ton

	High	Low	Close	Chge	Opint
Jul 96	1447	1400	1404	—34	5,879
Sep 96	1469	1432	1439	—11	33,496
Dec 96	1479	1452	1452	—10	18,824
Mar 97	1487	1463	1463	—9	13,342
May 97	1495	1470	1470	—15	6,693

Est. sales 18,499 Thu's. sales 14,159. Thu's open int 89,671 off 1462

COFFEE C (NCSE) 37,500 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 96	118.40	116.75	117.95	+1.05	8,625
Sep 96	115.85	114.50	115.10	+0.55	11,024
Dec 96	113.10	111.75	112.50	—0.45	4,753
Mar 97	111.00	110.00	110.75	+0.65	1,111

Est. sales 5,700 Thu's. sales 12,353. Thu's open int 25,965 off 499

SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 96	11.74	11.59	11.67	—0.01	50,109
Oct 96	11.18	11.07	11.16	+0.06	44,579
Mar 97	10.86	10.78	10.84	+0.04	32,613
May 97	10.65	10.63	10.65	+0.02	11,095

Est. sales 15,119 Thu's. sales 17,979. Thu's open int 153,781 up 285

ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 96	122.25	120.10	121.45	+1.30	9,307
Sep 96	120.25	118.40	119.35	+1.40	6,874

(continued)

	High	Low	Close	Chge	Opint
Nov 96	117.00	115.50	116.10	+0.95	1,871
Jan 97	114.50	113.00	114.20	+0.70	3,858

Est. sales N.A. Thu's. sales 1,728. Thu's open int 22,380

Metals

GOLD (NCMX) 100 troy oz.- dollars per troy oz.

	High	Low	Close	Chge	Opint
Jun 96	384.10	383.00	384.70	+0.50	208
Jul 96			385.70	+0.60	
Aug 96	387.60	385.00	387.10	+0.60	89,202
Oct 96	392.50	388.40	389.90	+0.60	7,436
Dec 96	393.30	390.80	392.70	+0.50	37,313
Feb 97			395.40	+0.40	6,108
Apr 97	397.00	397.00	398.00	+0.40	6,320
Jun 97	397.80	397.50	400.70	+0.30	8,476

Est. sales 24,000 Thu's. sales 24,650. Thu's open int 195,153 up 5444

HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jun 96	107.00	97.00	100.00	—10.50	2,495
Jul 96	104.45	91.70	93.85	—10.30	16,163
Aug 96	98.50	95.50	93.35	—9.85	1,209
Sep 96	99.70	89.00	91.35	—8.30	10,157
Oct 96	98.80	93.50	91.25	—8.00	987
Nov 96	98.50	92.80	91.05	—7.00	915
Dec 96	95.20	90.00	91.00	—6.45	9,401
Jan 97	95.00	92.00	91.00	—6.00	688
Feb 97	93.00	92.50	91.80	—5.60	368

Est. sales 25,000 Thu's. sales 4,678. Thu's open int 50,486 up 194

SILVER (NCMX) 5,000 troy oz.- cents per troy oz.

	High	Low	Close	Chge	Opint
Jun 96			514.1	+12.4	1
Jul 96	518.0	492.5	517.2	+12.2	57,463
Aug 96			519.9	+12.2	28
Sep 96	523.0	500.0	522.6	+12.2	28,586
Dec 96	531.8	510.0	530.5	+12.2	12,864
Jan 97			534.0	+12.2	14
Mar 97	528.8	517.0	538.4	+12.2	5,316
May 97	533.0	526.0	543.9	+12.2	5,336

Est. sales 25,000 Thu's. sales 22,351. Thu's open int 114,775 up 2931

PLATINUM (NMER) 50 troy oz.- dollars per troy oz.

	High	Low	Close	Chge	Opint
Jul 96	396.00	393.30	395.80	+0.10	13,851
Oct 96	398.90	396.50	398.70	+0.10	11,091
Jan 97	401.50	401.50	402.80	+0.40	1,289
Apr 97	404.00	404.00	405.30	+0.70	1,754
Jul 97			408.60	+0.70	25

Est. sales N.A. Thu's. sales 2,234. Thu's open int 28,010 off 75

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1484½	1485½	1480.00	1482.00
Forward	1520.00	1521.00	1515.00	1517.00
Copper Cathodes (High Grade)				
Spot	2140.00	2150.00	2320.00	2330.00
Forward	2035.00	2040.00	2170.00	2175.00
Lead				
Spot	774.00	775.00	785.00	786.00
Forward	779.00	780.00	790.00	791.00
Nickel				
Spot	7745.00	7750.00	7815.00	7825.00
Forward	7850.00	7860.00	7925.00	7930.00
Tin				
Spot	6210.00	6220.00	6235.00	6245.00
Forward	6210.00	6215.00	6230.00	6235.00
Zinc (Special High Grade)				
Spot	1008½	1009½	1012½	1013½
Forward	1033.00	1034.00	1037.00	1038.00

Financial

US T. BILLS (CMER) $1 million- pts of 100 pct.

	High	Low	Close	Chge	Opint
Sep 96	94.67	94.61	94.65	+0.05	5,604
Dec 96	94.40	94.31	94.38	+0.06	1,508
Mar 97			94.08	+0.03	1

Est. sales N.A. Thu's. sales 2,461. Thu's open int 11,432

5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	104-31	104-18	104-305	+ 105	38,362
Sep 96	104-20	104-06	104-185	+ 105	143,226
Dec 96			104-035	+ 105	3,398

Est. sales N.A. Thu's. sales 64,662. Thu's open int 184,988 up 1038

10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	106-08	105-18	106-05	+ 14	42,138
Sep 96	105-26	105-02	105-22	+ 15	248,831
Dec 96	105-05	104-27	105-03	+ 15	4,683

Est. sales N.A. Thu's. sales 102,364. Thu's open int 295,872 up 399

US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)

	High	Low	Close	Chge	Opint
Jun 96	107-20	106-15	107-12	+ 19	54,445
Sep 96	107-03	105-28	106-26	+ 19	378,729
Dec 96	106-16	105-12	106-09	+ 19	13,287
Mar 97	106-03	105-17	105-29	+ 19	2,214

Est. sales N.A. Thu's. sales 478,918. Thu's open int 448,742 up 5621

LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	106-04	105-13	105-22	— 0-13	14,788
Sep 96	105-03	104-08	104-19	— 0-12	118,467
Dec 96	N.T.	N.T.	103-19	— 0-12	0

Est. sales: 55,506. Prev. sales: 53,037. Prev. open int.: 133,255 up 92

GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Sep 96	95.06	94.36	94.55	— 0.38	184,793
Dec 96	94.01	93.45	93.62	— 0.41	1,310

Est. sales: 175,309. Prev. sales: 187,741. Prev. open int.: 186,103 off 624

10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	122.82	122.26	122.48	— 0.32	55,256
Sep 96	121.32	120.72	120.96	— 0.34	117,410
Dec 96	120.00	119.60	119.72	— 0.30	15,567
Mar 97	119.82	119.56	119.56	— 0.28	641

Est. volume: 327,688. Open int.: 188,876 off 5,406.

ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Sep 96	115.05	114.31	114.56	— 0.55	55,633
Dec 96	N.T.	N.T.	113.91	— 0.55	181

Est. sales: 52,730. Prev. sales: 40,931. Prev. open int.: 55,814 up 1,427

EURODOLLARS (CMER) $1 million-pts of 100 pct.

	High	Low	Close	Chge	Opint
Jun 96	94.420	94.400	94.410		387,633
Jul 96	94.330	94.310	94.330	+20	11,299
Aug 96	94.230	94.190	94.230	+30	4,238
Sep 96	94.140	94.080	94.130	+40	389,764
Dec 96	93.800	93.700	93.790	+70	427,844
Mar 97	93.620	93.500	93.590	+70	290,887
Jun 97	93.420	93.320	93.400	+70	233,730
Mar 98	92.640	92.550	92.630	+70	30,081

Est. sales N.A. Thu's. sales 466,457. Thu's open int 2,738,228 up 4307

BRITISH POUND (CMER) 62,500 pounds, $ per pound

	High	Low	Close	Chge	Opint
Jun 96	1.5430	1.5336	1.5360	+10	34,293
Sep 96	1.5420	1.5326	1.5342	+10	38,127
Dec 96	1.5332	1.5332	1.5350	+8	83
Mar 97			1.5358	+4	5

Est. sales N.A. Thu's. sales 20,203. Thu's open int 72,502 off 1378

CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr

	High	Low	Close	Chge	Opint
Jun 96	.7325	.7295	.7329	+24	13,073
Sep 96	.7347	.7306	.7341	+24	21,578
Dec 96	.7355	.7315	.7351	+24	2,855
Mar 97			.7359	+24	469

Est. sales N.A. Thu's. sales 8,050. Thu's open int 38,346 off 649

GERMAN MARK (CMER) 125,000 marks, $ per mark

	High	Low	Close	Chge	Opint
Jun 96	.6600	.6548	.6549	—1	34,637
Sep 96	.6635	.6582	.6583	—3	44,175
Dec 96	.6675	.6620	.6622	—4	1,683
Mar 97			.6662	—7	22

Est. sales N.A. Thu's. sales 33,196. Thu's open int 80,517 off 268

JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen

	High	Low	Close	Chge	Opint
Jun 96	.009265	.009162	.009165	—29	31,420
Sep 96	.009385	.009280	.009282	—30	61,144
Dec 96	.009492	.009395	.009401	—32	3,555

Est. sales N.A. Thu's. sales 35,250. Thu's open int 96,232 off 1458

SWISS FRANC (CMER) 125,000 francs, $ per franc

	High	Low	Close	Chge	Opint
Jun 96	.8055	.7956	.7959	—19	18,916
Sep 96	.8118	.8015	.8017	—18	35,140
Dec 96	.8164	.8082	.8078	—20	999

Est. sales N.A. Thu's. sales 24,784. Thu's open int 55,118 up 805

3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	94.11	94.08	94.09	— 0.01	57,138
Sep 96	94.18	94.12	94.14	— 0.02	81,561
Dec 96	93.98	93.91	93.93	— 0.04	81,738
Mar 97	93.59	93.50	93.53	— 0.06	56,145
Jun 97	93.16	93.05	93.07	— 0.08	40,121
Sep 97	92.76	92.67	92.68	— 0.07	28,758
Dec 97	92.43	92.34	92.35	— 0.06	21,990
Mar 98	92.17	92.06	92.07	— 0.06	14,964
Jun 98	91.96	91.85	91.88	— 0.06	9,822
Sep 98	91.84	91.75	91.77	— 0.05	8,107
Dec 98	91.72	91.60	91.67	— 0.03	8,622
Mar 99	91.64	91.59	91.59	— 0.04	2,807

Est. sales: 58,239. Prev. sales: 79,683. Prev. open int.: 411,774 up 2,986

3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	96.63	96.58	96.58	— 0.04	154,636
Sep 96	96.59	96.44	96.49	— 0.10	224,560
Dec 96	96.35	96.18	96.22	— 0.12	198,288
Mar 97	96.03	95.79	95.88	— 0.15	178,709
Jun 97	95.64	95.43	95.51	— 0.15	104,060
Sep 97	95.28	95.08	95.16	— 0.14	86,060
Dec 97	94.94	94.76	94.84	— 0.12	61,329
Mar 98	94.65	94.46	94.55	— 0.11	36,202
Jun 98	94.37	94.25	94.30	— 0.10	23,515
Sep 98	94.13	94.02	94.06	— 0.10	18,426
Dec 98	93.87	93.77	93.83	— 0.08	17,613
Mar 99	93.64	93.57	93.60	— 0.06	14,140

Est. sales: 405,606. Prev. sales: 239,971. Prev. open int.: 1,117,538 up 10,439

3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	96.00	95.91	95.96	— 0.04	40,953
Sep 96	95.81	95.61	95.72	— 0.10	53,812
Dec 96	95.68	95.44	95.56	— 0.13	34,814
Mar 97	95.46	95.26	95.36	— 0.12	24,521
Jun 97	95.25	95.07	95.17	— 0.10	15,594
Sep 97	94.98	94.86	94.92	— 0.11	10,302
Dec 97	94.74	94.63	94.70	— 0.09	7,461
Mar 98	94.52	94.43	94.46	— 0.12	7,531
Jun 98	94.37	94.26	94.27	— 0.14	3,915
Sep 98	94.13	94.02	94.07	— 0.13	2,513
Dec 98	93.90	93.81	93.83	— 0.14	3,541
Mar 99	93.66	93.60	93.60	— 0.10	4,340

Est. volume: 154,312. Open int.: 207,297 up 4,435.

3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	91.20	91.12	91.15	— 0.06	32,074
Sep 96	91.87	91.68	91.79	— 0.08	52,332
Dec 96	92.13	91.96	92.06	— 0.09	28,751
Mar 97	92.16	92.05	92.11	— 0.09	12,675
Jun 97	92.08	91.99	92.06	— 0.05	6,759
Sep 97	91.92	91.80	91.88	— 0.08	5,357

Est. sales: 56,133. Prev. sales: 26,767. Prev. open int.: 137,948 off 767

Industrials

COTTON 2 (NCTN) 50,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 96	78.00	75.10	76.29	—0.78	14,644
Oct 96	77.30	75.90	77.00	+0.57	5,882
Dec 96	77.24	76.17	76.90	+0.48	29,643
Mar 97	78.15	77.40	77.90	+0.39	5,579
May 97	78.75	78.15	78.40	+0.10	2,810
Jul 97	79.30	78.55	78.95	+0.22	1,369

Est. sales N.A. Thu's. sales 16,737. Thu's open int 62,528 off 1869

HEATING OIL (NMER) 42,000 gal- cents per gal

	High	Low	Close	Chge	Opint
Jul 96	51.80	50.70	51.50	+0.55	21,445
Aug 96	52.25	51.20	52.00	+0.50	17,994
Sep 96	52.70	51.85	52.40	+0.48	9,460
Oct 96	52.90	52.50	52.80	+0.20	5,444
Nov 96	53.55	53.00	53.50	+0.30	6,495
Dec 96	54.05	53.60	54.00	+0.25	18,715
Jan 97	54.40	53.90	54.35	+0.35	7,874
Feb 97	53.85	53.55	53.85	+0.30	5,313
Mar 97	52.55	52.35	52.55	+0.35	1,964
Apr 97	51.00	50.80	51.00	+0.40	1,161

Est. sales N.A. Thu's. sales 14,596. Thu's open int 100,536 off 197

LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.

	High	Low	Close	Chge	Opint
Jul 96	20.40	19.96	20.34	+0.33	71,108
Aug 96	19.55	19.17	19.50	+0.28	63,767
Sep 96	19.01	18.70	18.99	+0.26	37,035
Oct 96	18.53	18.40	18.68	+0.25	27,143
Nov 96			18.50	+0.25	21,761
Dec 96	18.24	18.10	18.37	+0.24	35,037
Jan 97	18.06	18.03	18.26	+0.22	21,317
Feb 97	18.10	18.10	18.18	+0.21	18,222
Mar 97			18.11	+0.20	11,665
Apr 97			18.04	+0.20	5,829
May 97			17.98	+0.20	5,210
Jun 97			17.95	+0.20	17,442
Jul 97			17.92	+0.21	4,649

Est. sales N.A. Thu's. sales 66,503. Thu's open int 394,918 up 989

NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu

	High	Low	Close	Chge	Opint
Jul 96	2.515	2.470	2.505	+11	26,996
Aug 96	2.575	2.535	2.565	+6	30,095
Sep 96	2.555	2.530	2.552	+7	19,268
Oct 96	2.540	2.510	2.535	+5	16,402
Nov 96	2.550	2.530	2.545	+2	11,324
Dec 96	2.605	2.580	2.600	+5	13,129
Jan 97	2.605	2.580	2.605	+10	8,130
Feb 97	2.500	2.483	2.500	+8	5,568
Mar 97	2.310	2.295	2.305	+3	4,424
Apr 97	2.150	2.150	2.150	+3	2,473
May 97	2.075	2.075	2.075	—2	2,597

Est. sales N.A. Thu's. sales 35,881. Thu's open int 158,567 up 3917

UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal

	High	Low	Close	Chge	Opint
Jul 96	59.65	58.60	59.50	+0.61	23,864
Aug 96	58.90	58.00	58.82	+0.47	19,739
Sep 96	57.68	56.70	57.50	+0.45	6,510
Oct 96			55.25	+0.50	2,371
Nov 96			53.85	+0.45	1,116
Dec 96	53.00	52.35	53.00	+0.45	1,235

Est. sales N.A. Thu's. sales 27,172. Thu's open int 56,121

GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons

	High	Low	Close	Chge	Opint
July 96	159.25	157.75	158.00	— 1.25	20,077
Aug 96	158.25	156.75	157.25	— 0.75	11,392
Sep 96	158.75	157.50	158.00	— 0.75	6,031
Oct 96	159.75	158.50	158.75	— 1.00	2,422
Nov 96	159.75	159.75	159.25	— 1.00	1,520
Dec 96	160.25	159.75	159.75	— 0.75	8,738
Jan 97	N.T.	N.T.	157.50	— 2.00	1,520
Feb 97	N.T.	N.T.	155.75	— 2.00	428
Mar 97	N.T.	N.T.	153.75	— 2.00	201
Apr 97	N.T.	N.T.	151.75	— 2.00	151
May 97	N.T.	N.T.	151.75	— 2.00	102
Jun 97	151.75	151.75	149.75	— 2.00	1,519

Est. sales: 8,614. Open int.: 54,151 off 858

BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels

	High	Low	Close	Chge	Opint
July 96	17.87	17.48	17.85	+0.29	84,794
Aug 96	17.50	17.22	17.50	+0.25	19,293
Sep 96	17.22	17.08	17.29	+0.24	17,510
Oct 96	16.94	16.94	17.13	+0.24	5,081
Nov 96	16.87	16.80	16.99	+0.24	11,276
Dec 96	N.T.	N.T.	16.88	+0.24	12,118
Jan 97	N.T.	N.T.	16.78	+0.27	6,176
Feb 97	N.T.	N.T.	16.69	+0.24	3,454
Mar 97	N.T.	N.T.	16.61	+0.24	2,986
Apr 97	N.T.	N.T.	16.54	+0.25	951

Est. sales: 23,095. Open int.: 165,691 off 2,682

Stock Indexes

S&P COMP. INDEX (CMER) 500 x index

	High	Low	Close	Chge	Opint
Jun 96	669.30	664.00	665.90	—2.85	110,488
Sep 96	675.50	669.70	671.70	—2.95	96,248
Dec 96	680.40	680.40	678.05	—2.80	5,644

Est. sales N.A. Thu's. sales 112,769. Thu's open int 213,239

FTSE 100 (LIFFE) £25 per index point

	High	Low	Close	Chge	Opint
Jun 96	3768.0	3754.0	3745.0	— 12.0	31,872
Sep 96	3770.0	3759.0	3748.5	— 12.0	35,284
Dec 96	3790.0	3788.0	3773.0	— 11.0	796

Est. sales: 16,066. Prev. sales: 41,111. Prev. open int.: 67,952 up 2,479

CAC 40 (MATIF) FF200 per index point

	High	Low	Close	Chge	Opint
Jun 96	2115.0	2089.0	2097.0	— 15.00	50,345
Jul 96	2113.0	2090.0	2096.0	— 15.00	17,597
Aug 96	2118.0	2118.0	2103.0	— 15.00	915
Sep 96	2126.0	2105.0	2111.0	— 14.50	13,491
Dec 96	2134.5	2134.5	2122.5	— 14.50	3,975
Mar 97	N.T.	N.T.	2153.0	— 15.00	4,591
Sep 97	N.T.	N.T.	2141.0	— 15.00	4,785
Mar 98	N.T.	N.T.	2193.0	— 15.00	1,870

Est. volume: 19,174. Open int.: 97,969 off 767.

Commodity Indexes

	Close	Previous
Moody's	1,540.80	1,535.40
Reuters	2,067.50	2,099.00
D.J. Futures	145.52	146.56
CRB	249.05	249.88

Spot Commodities

Commodity	Today	Prev.
Aluminum, lb	0.671	0.662
Copper electrolytic, lb	1.21	1.21
Iron FOB, ton	167.00	167.00
Lead, lb	0.52	0.52
Silver, troy oz	5.04	5.065
Steel (scrap), ton	132.17	132.17
Zinc, lb	0.494	0.4965

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

ملف أمن الأعمال

Gemina Fails To Get Nod From Board Of Auditors

Compiled by Our Staff From Dispatches

MILAN — Gemina SpA's shares tumbled 5.2 percent Friday after one of the holding company's auditors refused to approve the company's 1995 results, citing a lack of information on its defunct capital markets group.

Gemina's board of auditors declined to sign off on the accounts until management took steps to improve the flow of information from its subsidiaries and computed the value of Gemina Capital Markets.

The share price fell 35 lire, to 632.

The auditing fiasco is the latest setback for the publishing, paper and textiles company. Gemina has lost 893.2 billion lire ($578.1 million) in two years, and its stock has plummeted 29 percent since it proposed — and then aborted — a merger with Ferruzzi Finanziaria SpA in September.

"The situation is getting worse hour by hour," said Marco Luongo, who heads up a group of individual Gemina investors seeking a company board seat and intervention by regulators. "This verifies our worst suspicions."

The auditors said Gemina's 1995 consolidated balance sheet should be redrafted as soon as all information is available.

The refusal, the first of its kind by auditors in Italian corporate history, "demonstrates the extent to which the company does not have full control over its activities," said Tiziano Bellemo, an investment manager at Finanza & Futuro in Milan.

The auditors' announcement came a few weeks after the company reported a greater-than-expected 1995 net loss of 631.6 billion lire.

Although Gemina included losses from the securities unit in its 1995 results, it left the value of the group on its 1995 balance sheet at 230 billion lire, unchanged from 1994, saying the exact value of the unit could not be established.

The board of auditors said Gemina Capital should sell or close overseas subsidiaries "that are at the origin of the problem."

The auditors, in a report accompanying Gemina's balance sheet, chided Gemina for loose control over its units, and it listed instances of alleged fraud by previous management. *(Bloomberg, Reuters)*

Belfast Prays for Its Investment Boom

Bloomberg Business News

BELFAST — Bruce MacFarlane, like most of the other pubgoers in Northern Ireland on Friday night, Feb. 9, never saw it coming.

Eighteen months into the longest cease-fire in the province's violent modern history, the Irish Republican Army abruptly ended the peace at 7:01 P.M. with a 1,000-pound bomb at London's Canary Wharf that killed two newspaper vendors and wounded 100 people.

"It seemed like a dream had been shattered," said Mr. MacFarlane, a fund manager, recalling that night at the Ramore bar in Portrush, about 50 miles northwest of Belfast. "People started to cry. "Everyone was worried what was going to happen next."

Four months later, however, the threat of renewed conflict in Ulster is still only a threat, peace talks on the future of the province began this week in Belfast, and the spending and investment boom that began during the cease-fire continues.

Ladbroke Group PLC, which owns Hilton International; Stakis PLC, owner of Regency Hotels, and other hotel companies plan to expand in Northern Ireland. At the same time, retailers that have traditionally shunned the province, such as Sainsbury PLC, Tesco PLC and Marks & Spencer PLC, are opening stores.

Old-line industrialists such as Harland & Wolff, the Belfast shipmaker that built the Titanic, are being joined by such slick new software and electronics companies as Seagate Technology Inc., Daewoo Electronics Co. and Fujitsu Ltd.

Last week, Emerson Electric Co., a St. Louis, Missouri, electrical engineering company, said its Copeland division would build a £33 million ($50 million) compressor factory in County Tyrone, creating about 300 jobs.

The investment is the biggest announced since the cease-fire ended and the first for which Sinn Fein, the political wing of the IRA, actively lobbied as part of the province's campaign to attract foreign investment.

"The momentum created by the peace process really raised the profile of Northern Ireland, and the attractions are the same whether the Troubles are on or off," said Gervais Williams, manager of the NatWest Smaller Irish Companies Fund.

Most of the damage since the end of the cease-fire has been in London. The daily killings and beatings that marked the civil war in Belfast, Derry and other cities in Northern Ireland have declined. Much of the violence in the British province now is related to a growing drug problem, not to politics.

Though the flow of tourists into the province slowed in the weeks after the London bombings, the government says it has since resumed, with many visitors coming up from the Irish Republic for the first time.

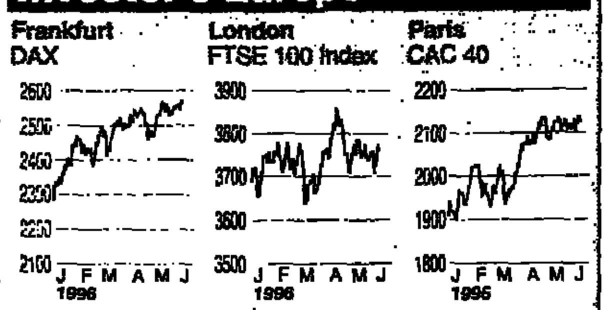
More than 1.5 million people visited Northern Ireland last year, an increase of 20 percent over 1994, according to the British government's Northern Ireland office.

But tourism is not the only area benefiting. Foreign manufacturers have increased their presence as well, taking advantage of the area's proximity to Europe and a skilled, educated work force.

About 100 foreign companies do business in Northern Ireland, employing 83,000 people, or 11 percent of the working population. Unemployment, which at 11.1 percent is still the highest in the United Kingdom, is at its lowest level in 14 years.

Thirty-five foreign companies have said in the past year that they will invest as much as £432 million in the province to build or expand factories. That is a 71 percent increase from the previous year and could create 5,000 jobs, the Industrial Development Board, a government agency, said. The province has also attracted indirect investment in the form of money from international investment funds.

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	EOE	561.57	569.19	-1.34
Brussels	Stock Exchange	9,527.26	9,520.49	+0.07
Frankfurt	DAX	2,567.47	2,568.88	-0.05
Copenhagen	Stock Market	403.52	403.72	-0.05
Helsinki	HEX General	2,031.13	2,012.39	+0.93
Oslo	OBX	466.13	467.40	-0.27
London	FTSE 100	3,761.70	3,769.20	-0.20
Madrid	Stock Exchange	371.50	372.37	-0.21
Milan	MIBTEL	10,470.00	10,508.00	-0.36
Paris	CAC 40	2,126.20	2,137.29	-0.52
Stockholm	SX 16	2,098.58	2,112.45	-0.66
Vienna	ATX	1,122.96	1,123.50	-0.05
Zurich	SPI	2,337.05	2,334.66	+0.10

Source: Telekurs — International Herald Tribune

Foreign Investors Bail Out of French Bonds

Bloomberg Business News

PARIS — Foreign investors sold a record amount of French government securities in the first quarter, government data indicated Friday, putting the burden on domestic investors to meet the country's growing financing needs.

The figures also showed a shrinking of France's current-account surplus in March as investment revenue fell and government transfers to international organizations rose.

Non-French investors sold a net 41 billion francs ($7.88 billion) of government bonds and notes in March, bringing the total for the first quarter to 91.14 billion francs — the biggest quarterly rush out of French government securities ever recorded.

But Guillaume Sciard, a fund manager with Barclays France SA, said: "I think domestic investors will have no difficulty in filling the gap. With France's savings ratio so high, the Treasury should have no problem selling debt near current yields."

The French currently save about 14 percent of their disposable income, the highest level in 10 years. A fall in short-term rates has spurred investors to move into longer-term savings such as life-insurance contracts, which are mostly invested in bonds.

In 1990, French 10-year bonds were yielding about two percentage points more than German bonds. That premium has now disappeared, and foreign investors are plowing their money into higher-yielding European bond markets, such as Italy or Sweden, or into U.S. Treasury issues, analysts said. U.S. 10-year bonds are currently yielding about 65 basis points, or hundredths of a percentage point, more than French 10-year bonds. In October, they were yielding 130 basis points less.

The government also said its current-account surplus for March narrowed to 10.33 billion francs from 10.67 billion francs in February.

The surplus for the entire first quarter, however, widened 6 percent from a year earlier, to 35.63 billion francs.

Market Digests News of Russian Bond Theft

Bloomberg Business News

LONDON — Prices of Russian bonds and debt rose Friday as a panic reaction to reports of bond thefts subsided.

The Finance Ministry in Moscow acknowledged Thursday that it had suspended principal and interest payments on $30 million of its bonds pending an investigation into their theft. The government has transferred funds to redeem maturing bonds and pay coupons to custodian banks, a ministry statement said.

The bonds will remain suspended, however, until law-enforcement bodies finish their investigation, it said. Resources for paying bonds and coupons presented for payment "will be given to the owners of the bonds only after the suspension of the above-mentioned bonds is ended," the ministry said.

Several market-makers had temporarily stopped trading the bonds until issues of legal ownership and whether the Russian government will honor the bonds were clarified.

News of the suspension Thursday sent prices of the bonds down as much as 6 percent in the $9 billion market, as traders and investors were concerned they might purchase bonds that would prove worthless. Yields on the bonds, which have a coupon value of 3 percent, rose as high as 20 percent.

Prices regained some ground Friday as panic selling subsided.

Ministry of Finance bonds, known as Min Fins, maturing in 1999 rose 0.875 point, to a price of 65.375 bid and 66.375 offered, while bonds maturing in 2003 rose 1.25 points, to 37.25 bid and 38.25 offered, and those maturing in 2008 rose 1.50 points, to 26.50 bid and 27.50 offered.

But Bank of America International Ltd. said it was trading only at the behest of clients and was advising against buying or selling the bonds.

"No one has ever faced a thing like suspended paper," said Pavel Navolokin, head of international capital markets at Rossiisky Credit and a trader in the bonds. "Teams of lawyers of foreign and Russian banks are trying to negotiate a positive decision."

Very briefly:

- **Fokker NV**'s administrators said the bankrupt aircraft maker's shareholders and subordinated bondholders were unlikely to receive any payments and that creditors could at most expect "a small part of their claims."
- **Swissair AG**'s catering unit is talking with **Accor SA**, a French hotel operator, about buying its **Wagons-Lits** unit, which operates dining and sleeping cars on trains in Europe.
- **A.C. Nielsen Co.**, the market-research unit of Dun & Bradstreet Corp., faces an antitrust inquiry from the European Union into allegations that it used illegal means to shut competitors out of the European market. The EU sent a list of objections to Nielsen after an 18-month inquiry.
- **Crédit Lyonnais SA**'s investment certificates fell to a new low amid speculation that the French government would not channel any more cash into the bank that had already cost taxpayers 21.4 billion francs ($4.13 billion).
- **NatWest Group PLC** sold its 17.7 percent stake in **3i Group PLC** for £464 million ($712.3 million). The shares were sold mainly to institutional investors.
- **Finnair** said profit jumped 27 percent in its latest year, to 533 million markkaa ($113.5 million), as passenger traffic rose 10 percent and cargo climbed 5 percent.
- **Carlsberg AS**'s first-half pretax profit rose 22 percent, to 741 million Danish kroner ($125.2 million), but the gain was due mostly to financial operations.
- **Skaane-Gripen AB**, a Swedish building-materials group, said its board recommended that shareholders accept a 3.01 billion kroner ($448.2 million) bid from the Swedish construction company **Skanska AB**.
- **Britain's Department of Trade and Industry** awarded licenses to operate Europe-wide paging services to seven operators, including **British Telecommunications PLC**, **Cable & Wireless PLC's Mercury Communications** and **Vodafone Group PLC**.
- **Rhône-Poulenc SA** declined to comment on a press report that it may be preparing to sell its 68 percent stake in **Rhone-Poulenc Rorer Inc.**, a U.S. drug company.

Bloomberg, Reuters, AP, AFX

WORLD STOCK MARKETS

Friday, June 14

Prices in local currencies.

Telekurs

Amsterdam
EOE index: 558.38 Previous: 561.57

	High	Low	Close	Prev.
ABN-AMRO	89.70	88.50	88.80	89.90
Aegon	80	79	79.60	80.10
Ahold	90.60	89	89.30	90.60
Akzo Nobel	201.40	199	200.90	199.70
Bols Wess cva	29.50	29	29.40	29.10
CSM cva	80.20	78.90	79.80	79.60
Dordtsche Pet	273.60	270.20	272.50	276.20
DSM	164.70	160.50	164.20	161.40
Elsevier	26.50	26.20	26.20	26.50
Fortis Amev	N.T.	N.T.	N.T.	132.50
G-Broc cva	53.80	52.70	53	53.50
Hagemeyer	123	120.80	121.20	122.60
Heineken	388	384	385.50	386.30
Hoogovens	63.40	62.40	63.20	62.50
Hunt Douglas	119.50	116.50	117	117.30
ING Group	52.10	50.80	51	52.20
KLM	57.10	56.20	56.70	57.10
KNP BT	40.80	40.10	40.50	40.50
KPN	65.40	63.90	65	64.20
Nedlloyd Gp	40.50	40	40	40.70
Nutricia	176.80	175.10	175.10	176.80
Oce Grinten	173.40	167.20	169.50	174
Pakhoed	45.70	44.50	44.50	45
Philips Elec	59.10	58.40	58.90	59.10
Polygram	101.60	100.60	101	101.10
Randstad Hdg	128.70	121	124.90	128.80
Robeco	128.80	127.70	127.70	128.90
Rodamco	49.40	49.10	49.40	49.40
Rolinco	140	139.60	140	139.50
Rorento	96.50	96	96	96.50
Royal Dutch	261	258	259.50	262.40
Stork	49.20	47.70	48.70	48.90
Unilever cva	238	236.80	237	237.50
VNU	28.20	27.30	27.30	28.20
Wolters Kl cva	194.10	192.10	193.80	192.80

Bangkok
SET index: 1256.84 Previous: 1247.85

	High	Low	Close	Prev.
Adv Info Svc	420	418	418	420
Bangkok Bk F	356	350	350	344
Krung Thai Bk	119	117	118	117
PTT Explor	362	356	360	354
Siam Cement F	1318	1294	1300	1318
Telecomasia	52	51	51	51.50
Thai Airways	55	53.50	55	54.50
Thai Farm Bk F	274	270	274	274
Thai Teleph	56.50	55.50	56	55
Utd Comm	348	344	348	344

Bombay
Thursday, June 13 — Sensitive index: 3965.44 Previous: 3945.44

	High	Low	Close	Prev.
Assoc Cement	2630	2575	2592.25	2605
Grasim Ind	578.50	575	575.25	578
Hindalco Ind	1327.25	1325	1333.25	1325.50
Indust Lever	855	847	847	850.50
Indian Hotels	812	800	809.25	800
ITC	316	307	315.25	308.75
Larsen Toubro	295	287	292.50	288.75
Reliance Ind	244.75	242	243.50	243.25
Tata Eng Loco	532	526	528.50	525
Tata Iron St	257.25	254	255.50	255.25

Brussels
Stock Exchange index: 9534.72 Previous: 9527.26

	High	Low	Close	Prev.
Arbed	3840	3795	3840	3770
Barco Ind	4785	4745	4765	4765
BBL	5950	5880	5950	5900
Bekaert	26525	26325	26425	26425
CBR	2395	2395	2395	2360
CMB	2540	2510	2510	2530
Cockerill	159	156	158	158
Colruyt	10550	10450	10550	10550
Delhaize Lion	1555	1540	1545	1555
Electrabel	6880	6830	6830	6850
Electrafina	2950	2930	2940	2945
Fortis AG	4200	4125	4200	4140
GIB	1468	1460	1460	1470
GBL	4190	4130	4130	4170
Gen Banque	11325	11125	11225	11325
Glaverbel	3650	3630	3650	3610
Kredietbank	9740	9670	9740	9600
Mosane	2300	2300	2300	2250
Petrofina	9930	9740	9840	9780
Powerfin	4500	4450	4500	4430
Recticel	286	286	286	276
Royale Belge	6300	6250	6260	6270
Soc Gen Belg	2345	2325	2330	2330
Solvay	19600	19475	19500	19525
Tessenderlo	12850	12675	12675	12700
Tractebel	13200	13000	13200	13175
UCB	59250	58700	59250	58750
Union Miniere	2295	2275	2285	2290

Copenhagen
Stock index: 403.32 Previous: 402.52

	High	Low	Close	Prev.
Carlsberg B	338	336	330	336
Danisco	294	289	289	292
Den Danske Bk	372.45	366	368	369
D/S Svendborg A	N.T.	N.T.	N.T.	187000
D/S 1912 A	130000	130000	130000	130000
East Asiatic Co	125	120	121	124
FLS Ind B	605	603.49	605	601
ISS Intl Svc B	136	724	132	131
Nvo Nordisk B	827	813	818	824
Radiometer B	387	386	386	385
Sophus Ber B	791	784	789	783.43
Tele Danmk B	294	288	290	295
Unidanmark A	269.34	265	267.37	266

Frankfurt
DAX: 2548.83 Previous: 2567.47

	High	Low	Close	Prev.
AMB	830	830	828	830
AEG	164.50	164	164	165
Allianz Hdg	2515	2485	2487	2499
Altana	1163	1139	1142	1134
Asko Deutsche	1104	1100	1104	1106
Badenwerk	555	550	540	556
BASF	428	425.30	426.20	430.30
Bayer Hypo Bk	36.70	36.10	36.15	36.85
Bay.Vereinsbank	42.30	42.02	42.02	42.40
Bayer	53.20	52.83	53.08	53.57
Berliner Kraft	422	419	419	420
BHF Bank	38	37.75	37.75	37.97
BMW	882	870	878.50	871
CKAG Colonia	1105	1098	1100	1097
Commerzbank	315	312.90	312.90	315.10
Daimler Benz	830	826.50	828	832
Degussa	532.50	528	528.30	532.50
Deutsche Bank	70.93	70.38	70.40	70.88
Dresdner Bank	38.87	38.03	38.04	38.82
Heidelbg Zmt	998	996	997.50	990
Henkel	645.50	642.50	643	649
Hochtief	676	669	674	668
Hoechst	52.10	51.65	51.85	52.45
Holzmann Ph.	488	484	484	490
Karstadt	609	598.50	599.50	610.80
Kaufhof Hdg	565.50	561	561.20	565.50
Linde	999	992	993	997
Lufthansa ord	236.50	234.50	235	236.70
MAN	392	386	387.50	392.75
Mannesmann	543	539	540.50	542.50
Muench Rueck	2845	2812	2835	2805
Preussag	385.50	379.50	379.60	387
PWA	193	192	193	194
RWE	59.10	58.45	58.45	59.37
SAP pfd	218.80	217	218	220.30
Schering	112.90	112.10	112.45	113.55
Schmalb Lub	281	278	280	281.20
Siemens	84.07	83.25	83.31	84.15
Suedzucker	758	757	758	755
Thyssen	278.50	276.60	277	278.50
Veba	83.95	83.40	83.46	0.33
VEW	477	475	477	478
Viag	594	590.50	593.80	591.50
Volkswagen	564	540.50	561.75	544.75
Wella	888	883	888	894

Helsinki
HEX General index: 2023.36 Previous: 2021.13

	High	Low	Close	Prev.
Cultor 1	220	216	217	217
Enso R	35.50	35	35.40	35.50
Huhtamaki IF	156	154	155	154
Kesko	62.70	60.50	62.70	60.90
Kone BF	535	530	530	515
Merita A	10	9.97	9.99	9.96
Metra BF	217	215	216.50	216
Metso-Serla B	32.50	32.30	32.40	32.50
Nokia Prf F	187	182	183.50	189
Outokumpu A	80.50	79	79.80	79.80
Rautaruukki	35	34.50	35	35.20
Stockmann A	250	247	250	245
UPM-Kymmene	92	90.40	91.50	91.40
Valmet A	74.90	74.50	74.90	74.80

Hong Kong
Hang Seng: 10665.00 Previous: 10666.00

	High	Low	Close	Prev.
Amoy Props	9.40	9.10	9.30	9.10
Bk East Asia	27.85	27.55	27.60	27.55
Cathay Pacific	14.05	13.85	13.85	13.85
Cheung Kong	55.50	54.95	55	55
China Light	35.50	35	35.40	35.40
Chin Estates	6.90	6.80	6.90	6.85
Citic Pacific	30.80	30.40	30.60	30.50
Cons Elec Pwr	12.90	12.80	12.90	12.80
Dao Heng Bk	29.25	29.10	29.20	29.15
First Pacific	11.15	11.05	11.10	11.10
Great Eagle	22	21.80	21.85	21.75
Guangdong Inv	4.88	4.83	4.88	4.90
Guoco Group	36.50	36.30	36.40	36.40
Hang Lung	14.65	14.50	14.55	14.70
Hang Seng Bk	78	77.75	78	77.75
Henderson Inv	6.75	6.70	6.70	6.70
Henderson Ld	56	54.75	55.25	56
HKR Intl	9	8.95	8.95	8.90
HK Aircraft	23.50	23.35	23.40	23.50
HK China Gas	12.20	12.10	12.10	12.05
HK Electric	24.15	23.85	23.90	24.15
HK Shang Hils	13.45	13.25	13.45	13.10
HK Telecomm	13.55	13.20	13.35	13.20
Hopewell Hdgs	4.43	4.38	4.40	4.38
HSBC Hdgs	116.50	115	116	116
Hutchison Wh	48.70	48.20	48.60	48.50
Hysan Dev	23.80	23.50	23.50	23.50
Johnson El Hdg	16.50	16.35	16.35	16.45
Miramar Hotel	16.85	16.85	16.85	16.85
Natl Mutual	6.90	6.85	6.85	6.90
New World	35.50	34.90	35.30	35.20
Oriental Press	4.08	4.03	4.05	4.08
Orient Telecom	3.40	3.40	3.40	3.45
Shangri-La	10.60	10.55	10.60	10.60
SHK Props	77.75	76.75	77.25	77
Shun Tak Hdgs	4.90	4.78	4.80	4.88
Sino Land Co.	7.70	7.40	7.70	7.65
Sth China Post	5.45	5.30	5.35	5.50
Swire Pac A	64.25	63.25	64	64
Tsim Sha Tsui	9.50	9.40	9.50	9.40
TV Broadcasts	29.55	29.40	29.40	29.35
Wharf Hdgs	28	27.60	28	27.65
Wheelock	15	14.85	14.85	14.80

Jakarta
Composite index: 592.34 Previous: 581.53

	High	Low	Close	Prev.
Astra Intl	2725	2700	2700	2675
Barito Pacific	1825	1700	1750	1700
Gudang Garm	9975	9500	9950	9450
Indah Kiat	2125	2050	2125	2100
Indocement	8125	8000	8050	8000
Indofood	10650	10500	10500	10500
Indorayon	2200	2100	2200	2150
Indosat	7600	7400	7550	7375
Kalbe Farma	5400	5200	5400	5200
Sampoerna	26900	26350	26800	26700

Johannesburg
All Market: 6819.84 Previous: 6840.15

	High	Low	Close	Prev.
AngloAm-Corp	275.25	273.25	273.50	275.25
AngloAm Gold	400	393	397	396
AngloAm Ind	183	176	180	185
Barlow	49.70	48.75	49	49.60
C.G. Smith	23.20	22.50	22.75	23.20
De Beers	137.25	135.95	137	136.50
Driefontein	59	57.75	58.25	59
Freegold	45	44.50	44.85	45.20
Fst Natl Bk	30.30	30.10	30.25	30.05
Gencor	15.75	15.35	15.75	15.75
GFSA	139	134	137	139
Iscor	3.37	3.33	3.36	3.39
Johnnies Ind	57.50	57	57	57.25
Kloof Gold	46.25	45	45.55	45.75
Liberty Life	137.25	136.75	137.25	136.50
Minorco	106	104.50	104.50	106
Nedcor	64.50	64.25	64.25	64.25
Rembrandt Gp	39.50	39.15	39.50	39.25
Richemont	65.50	64.25	65.50	65.25
Rust Platinum	75.50	73	75	75.50
SA Breweries	130.50	128	129	130
Sappi	46.70	46.45	46.60	46.75
Sasol	46.10	45.70	45.95	46.10
SBIC	174	172	173	173.50
Tiger Oats	60	59.25	60	59.25

Kuala Lumpur
Composite: 1125.48 Previous: 1121.62

	High	Low	Close	Prev.
Genting	19.90	19.70	19.90	19.90
Hicom Hldgs	7.05	7	7	7
Mal Banking	23.80	23.60	23.60	24
Mal Intl Ship F	7.55	7.50	7.55	7.50
Public Bank F	6.40	6.20	6.35	6.20
Resorts World	14.20	13.80	13.90	14.10
Sime Darby	6.75	6.65	6.65	6.75
Telekom Mal	22.80	22.50	22.80	22.80
Tenaga	10.70	10.30	10.70	10.30
Utd Engineers	17.20	17	17.10	17.10

London
FT-SE 100: 3753.60 Previous: 3761.70

	High	Low	Close	Prev.
Abbey Natl	5.54	5.12	5.50	5.51
Allied Domecq	4.77	4.71	4.71	4.77
Anglian Water	5.77	5.63	5.76	5.68
Argyll Group	3.61	3.51	3.51	3.60
Arjo Wiggins	1.90	1.82	1.82	1.90
Asda Group	1.23	1.20	1.21	1.21
Assoc Br Foods	3.81	3.76	3.78	3.83
BAA	4.65	4.55	4.62	4.63
Barclays	7.80	7.73	7.78	7.74
Bass	8.35	8.25	8.34	8.26
BAT Ind	5.16	5.05	5.10	5.14
Bank Scotland	2.48	2.45	2.47	2.47
BICC	3.34	3.24	3.24	3.38
Blue Circle	3.64	3.53	3.62	3.61
BOC Group	9.45	9.35	9.47	9.41
Boots	6.28	6.09	6.22	6.12
Bowater	3.52	3.40	3.49	3.44
BPB Ind	3.22	3.18	3.19	3.18
Brit Aerosp	9.87	9.35	9.80	9.74
Brit Airways	5.59	5.53	5.58	5.63
Brit Gas	1.96	1.87	1.92	1.89
Brit Petm	5.70	5.62	5.63	5.71
Brit Steel	1.79	1.76	1.78	1.78
Brit Telecom	3.75	3.67	3.70	3.75
BTR	2.67	2.60	2.65	2.66
Burmah Cast	10.47	10.38	10.40	10.46
Cable Wireless	4.20	4.13	4.17	4.15
Cadbury Schw	4.91	4.79	4.90	4.86
Caradon	2.36	2.32	2.33	2.33
Carlton Comm	5.16	5.11	5.16	5.13
Coats Viyella	1.82	1.80	1.80	1.82
Comml Union	5.90	5.88	5.84	5.88
Courtaulds	4.31	4.25	4.31	4.28
De La Rue	6.25	6.12	6.13	6.19
Eng China Cl	2.77	2.70	2.70	2.72
Enterprise Oil	4.66	4.60	4.61	4.65
Fam Colonial	1.54	1.53	1.54	1.53
Genl Accident	6.72	6.45	6.72	6.72
GEC	3.63	3.50	3.51	3.56
GKN	9.63	9.55	9.60	9.63
Glaxo	8.70	8.55	8.69	8.65
Granada Gp	8.45	8.40	8.44	8.42
Grand Met	4.28	4.20	4.26	4.25
GRE	2.65	2.57	2.61	2.67
Guinness	4.67	4.62	4.65	4.63
GUS	6.82	6.68	6.73	6.70
Hanson	1.84	1.82	1.83	1.83
Hillsdown Hdg	1.83	1.80	1.81	1.80
HSBC Hldgs	9.95	9.65	9.71	9.73
ICI	8.44	8.35	8.44	8.39
Inchcape	3.03	3	3.01	3.02
Kingfisher	6.54	6.25	6.42	6.27
Ladbroke	1.88	1.83	1.85	1.84
Land Sec	6.58	6.22	6.29	6.25
Laporte	7.17	7.05	7.05	7.13
Lasmo	1.79	1.74	1.75	1.77
Legal Genl Grp	6.90	6.80	6.80	6.88
Lloyds Abbey	5.05	5.01	5.05	5.04
Lloyds TSB Gp	3.13	3.06	3.11	3.09
London Elec	6.70	6.55	6.62	6.62
Lucas Ind	2.31	2.28	2.30	2.27
Marks Spencer	4.95	4.73	4.87	4.75
MEPC	4.05	4.02	4.02	4.05
Mercury Asset	9.60	9.53	9.60	9.54
Midlands Elec	4.20	4.18	4.20	4.18
Natl Power	5.37	5.28	5.33	5.34
NatWest	6.25	6.19	6.20	6.20
News Intl	3.97	3.91	3.92	3.94
Utd Utilities	5.47	5.43	5.43	5.45
Nthern Foods	2	1.96	1.99	1.99
P&O	5.09	5	5.08	5.07
Pearson	6.90	6.80	6.83	6.90
Pilkington	1.98	1.92	1.95	1.95
PowerGen	4.76	4.67	4.72	4.68
Prudential	4.22	4.16	4.20	4.17
Rank Org	5.24	5.15	5.20	5.20
Reckitt Colm	6.87	6.78	6.84	6.85
Redland	3.97	3.90	3.95	3.95
Reed Intl	11.11	11.00	11.05	11.09
Rentokil	4.15	4.10	4.14	4.08
Reuters Hdgs	7.80	7.64	7.80	7.70
RMC Group	10.15	10.05	10.11	10.11
Rolls Royce	2.29	2.25	2.28	2.29
Royal Bk Scot	5.26	5.11	5.16	5.26
RTZ reg	9.77	9.58	9.75	9.70
Royal Insur	4.17	4.12	4.14	4.14
Sainsbury	4.05	3.91	3.95	3.98
Schroders	13.53	13.37	13.45	13.38
Scot Newcastle	6.92	6.84	6.86	6.89
Scot Power	3.20	3.13	3.17	3.17
Sears	1.06	1.02	1.04	1.02
Severn Trent	5.97	5.90	5.90	5.90
Shell Trsp reg	9.40	9.22	9.26	9.29
Siebe	8.95	8.85	8.90	8.83
Smith Nephew	2.10	2.09	2.10	2.10
Smith (WH)	4.86	4.80	4.85	4.83
SmithKline	6.93	6.71	6.90	6.90
Smiths Ind	6.85	6.77	6.78	6.82
Sthern Elec	6.93	6.82	6.83	6.94
Stand Charter	6.67	6.22	6.61	6.65
Sun Alliance	3.91	3.85	3.86	3.90
Tate & Lyle	4.55	4.50	4.50	4.54
Tesco	3.12	3.07	3.09	3.11
Thames Water	5.60	5.50	5.58	5.57
Thorn EMI	18.50	18.28	18.37	18.39
3i Group	4.88	4.45	4.56	4.47
TI Group	5.42	5.33	5.38	5.40
Tomkins	2.53	2.47	2.50	2.51
Unilever	12.44	12.22	12.37	12.26
Utd Biscuits	2.22	2.18	2.19	2.18
Utd News	7.07	6.99	7	7.07
Vendome uts	6.21	6.17	6.18	6.18
Vodafone	2.44	2.37	2.44	2.39
Whitbread	7.47	7.38	7.46	7.38
Williams Hdgs	3.41	3.35	3.36	3.38
Wolseley	4.82	4.77	4.78	4.76
Zeneca	13.98	13.65	13.82	13.91

Madrid
Bolsa index: 371.28 Previous: 371.48

	High	Low	Close	Prev.
Acerinox	13820	13600	13810	13660
ACESA	1535	1505	1535	1525
Argentaria	5410	5370	5410	5400
BBV	4935	4890	4930	4940
Banesto	825	815	820	822
Bankinter	13360	13220	13360	13350
Bco Centro Hisp	2580	2560	2575	2580
Bco Exterior	3005	3000	3000	3000
Bco Popular	22750	22620	22750	22610
Bco Santander	6020	5970	6000	6000
CEPSA	4300	4265	4290	4280
Corp Mapfre	6340	6300	6330	6350
Dragados	1740	1720	1740	1725
Endesa	8300	8240	8280	8280
FECSA	986	981	986	986
Fomento Const	10590	10350	10590	10420
Gas Natural	24400	23920	24150	24170
Hidroel Cantab	4370	4345	4370	4350
Iberdrola	1320	1300	1315	1315
Pryca	3090	3045	3080	3060
Repsol	4485	4435	4485	4475
Sevillana Elec	1190	1170	1185	1185
Tabacalera	6530	6450	6530	6500
Telefonica	2450	2420	2425	2460
Union Fenosa	820	815	816	819
Valenc Cement	1555	1555	1555	1555

Manila
PSE index: 3144.22 Previous: 3209.47

	High	Low	Close	Prev.
Ayala A	26.50	26	26.50	26
Ayala Land	45.50	44.50	45	45.50
Manila Elec A	153	151	152	153
Metro Bank	760	710	735	760
Petron	10.75	10.25	10.25	10.50
Phil Long Dist	1600	1570	1570	1605
San Miguel A	46	45.50	45.50	46
San Miguel B	87	85	85	87.50
SM Prime Hdg	6.50	6.40	6.50	6.40

Mexico
Bolsa index: 3174.88 Previous: 3183.75

	High	Low	Close	Prev.
Alfa A	120.10	119.40	119.80	119.70
Cemex B	29.10	28.45	28.85	28.90
Cifra C	10.80	10.60	10.64	10.76
Empresas ICA	110.20	109.60	110.20	110.00
Emp Moderna	34.80	34.60	34.80	34.95
Femsa	21.10	20.55	21.10	20.50
Gpo Carso A1	52.70	52.00	52.50	52.20
Televisa CPO	116.00	114.00	114.00	115.50
TelMex L	12.74	12.62	12.66	12.74
Tribasa	22.50	22.45	22.50	22.50

Milan
MIB Telematico: 10442.00 Previous: 10470.00

	High	Low	Close	Prev.
Alleanza Assic	13640	13450	13530	13500
Bca Comm Ital	3190	3145	3150	3190
Bca Naz Agricol	920	907	918	920
Bca Naz Lavoro	10980	10800	10825	10920
Bca di Roma	1460	1431	1437	1450
Bco Ambrosiano	4100	4055	4065	4090
Benetton	20900	20400	20550	20900
Credito Italiano	1830	1802	1820	1825
Fiat	5160	5100	5110	5125
Fondiaria	7800	7620	7690	7800
Generali Assic	36500	36000	36050	36150
IFIL	4750	4680	4690	4700
Italcementi	12435	12020	12435	12200
Italgas	5525	5435	5450	5510
Mediobanca	10200	10100	10150	10170
Montedison	940	927	935	923
Olivetti	920	902	910	912
Pirelli	2580	2525	2560	2570
RAS	16360	16200	16200	16300
Rinascente	10935	10600	10850	10750
S Paolo Torino	10060	9895	10005	10025
SME	1739	1690	1739	1675
Snia	15700	15500	15500	15500
Stet	5270	5195	5270	5250
Telecom Italia	3135	3105	3130	3130
Toro Assic	19950	19600	19600	19750

Montreal
Industrials index: 2433.07 Previous: 2437.90

	High	Low	Close	Prev.
Alcan I	18.90	18.85	18.90	18.85
Bank Montreal	32.15	31.95	31.95	32.10
Bce Mob Com	45½	45½	45½	45.30
Cdn Tire A	18.15	18.05	18.10	18.15
Cdn Util A	26.70	26.65	26.65	26.70
Cascades	5⅝	5.65	5.70	5.70
CT Finl Svc	26	26	26	25.75
Extendicare	17	17	17	17½
Gaz Metro	15.45	15.35	15.35	15.30
Gt-West Lifeco	32.85	32¾	32¾	32¾
Hees Intl Bcp	15.90	15.80	15.90	15¾
Hudsons Bay	19.20	19.10	19.10	19.15
Imasco	27.10	26¾	26¾	27.15
Investors Grp	17½	17¼	17¼	17½
Loblaw Cos	10.60	10.60	10.60	10⅝
Molson A	23	22.90	23	22.90
Natl Bk Canada	11.55	11.45	11.45	11.60
Oshawa A	22.15	21.80	22.15	22.10
Pancdn Petlm	53⅝	53⅜	53⅝	53⅝
Power Corp	22.10	22	22.10	22
Power Finl	37.80	37¾	37.80	37¾
Quebecor B	22	21.85	22	22
Rogers Comm B	13.65	13.60	13.60	13.65
Royal Bk Cda	32.05	31.85	32.05	32
Sears Canada	7.60	7.45	7½	7.65
Shell Cda A	47¾	47⅝	47¾	47.60
Southam	15.90	15.90	15.90	16.05
Stelco A	6.15	6.05	6.05	6.10
Trilon Finl A	5.35	5.30	5.30	5.45

Oslo
OBX index: 464.51 Previous: 466.13

	High	Low	Close	Prev.
Aker A	127	126	126.50	127
Bergesen Dy B	125.50	122.50	125	122.50
Christiania Bk	15.60	15.40	15.50	15.40
Den norske Bk	20.50	20.20	20.50	20.20
SAS Norge ASA	73.50	73.50	73.50	74.50
Dyno Indust	146.50	144.50	146.50	146.50
Elkem	86	84	84	86.50
Hafslund A	51	50	51	50
Kvaerner	272	267	267	272
Leif Hoegh	106	105	105	107
Norsk Hydro	316.50	314	314	317
Norske Skog A	203	199.50	199.50	204
Orkla	348	343	346	343
Rieber B	147	146	147	145.50
Saga Petm B	89	88	88	88.50
Schibsted	87.50	86.50	87	86.50
UniStorebr A	30.80	30.50	30.50	30.70

Paris
CAC-40: 2111.78 Previous: 2126.20

	High	Low	Close	Prev.
Accor	731	721	723	748
AGF	140.10	139.50	139.70	140.20
Air Liquide	901	881	895	896
Alcatel Alsth	467	458.60	460	464.50
Axa	291	287.30	288.60	290.90
Bancaire	581	572	575	580
BNP	186.50	184	185.10	185.60
Bouygues	572	565	569	568
Canal Plus	1195	1177	1186	1176
Carrefour	2869	2822	2830	2840
CCF	242.40	240	241	242.70
Credit Local cl	439.70	432.50	435	437.70
Credit Lyon PC	112	94.55	98.60	116.30
Crown Cork Seal	243	243	243	245.10
Danone	778	772	775	773
Elf-Aquitaine	389.90	383	384.70	391.30
Eridania BS	832	810	814	828
Euro Disney	14.90	14.55	14.70	14.80
Eurotunnel uts	8.40	7.95	8.05	8.50
Gen. Eaux	557	551	554	554
Havas	419.50	414.50	418	420
Lafarge Cop	340	334	339.50	338.40
Legrand	946	921	923	945
L'Oreal	1643	1606	1614	1641
LVMH	1266	1247	1253	1262
Lyon. Eaux	518	498	499.50	508
Michelin B	259.90	256	258.90	257
Navig Mixte	760	756	756	765
Paribas A	309	302.30	303.80	309
Pechiney SA	226	220.10	221.90	227.10
Pernod Ricard	332.60	328.10	328.70	332.50
Peugeot Cit	723	712	714	719
Pinault-Print	1680	1655	1668	1677
Promodes	1416	1375	1397	1400
Renault	138.40	135.50	136.60	138.90
Rh-Poulenc A	133.90	132.50	133.70	132.80
Roussel-Uclaf	1177	1158	1175	1158
Sanofi	390	383	387.50	388.90
Schneider	245	239.30	240.70	244.10
Ste Generale	563	553	557	558
St Gobain	679	665	673	662
St Louis	1414	1386	1395	1420
Suez	206.80	199.60	206.80	204.80
Thomson CSF	139.20	134.60	136	137.50
Total B	378	370.20	372.30	377
UAP	104	102.60	103.20	103.70
Valeo	285	271	283.50	271.80

São Paulo
Bovespa index: 56185.00 Previous: 55037.98

	High	Low	Close	Prev.
Bco Brasil Pfd	8.50	8.45	8.50	8.50
Banespa Pfd	3.70	3.69	3.70	3.60
Bradesco Pfd	7.90	7.70	7.850	7.720
Brahma Pfd	615.00	609.00	614.990	606.00
Cemig Pfd	26.60	26.10	26.50	26.00
CESP Pfd	25.90	25.90	25.90	25.80
Eletrobras B	255.00	237.00	255.00	236.00
Itaubanco Pfd	383.00	376.50	383.00	376.10
Light	290.00	286.99	286.99	290.00
Paranapan Pfd	8.70	8.50	8.65	8.49
Petrobras Pfd	124.50	120.00	124.00	121.00
Sid Nacional	26.00	25.40	25.50	25.20
Souza Cruz	7.10	7.050	7.08	7.19
Telebras Pfd	63.20	61.80	63.00	63.20
Telesp Pfd	196.00	193.00	195.06	194.00
Usiminas Pfd	1.09	1.06	1.08	1.07
CVRD Pfd	19.15	18.90	19.05	18.90

Seoul
Composite index: 862.53 Previous: 874.68

	High	Low	Close	Prev.
Daewoo Heavy	7300	7120	7120	7250
Hyundai Eng	37300	36200	36200	37300
Hyundai Motor	33200	32200	32300	33200
Korea El Pwr	29400	28800	28800	29400
Korea Mob Tel	648000	628000	628000	668000
LG Electronics	20900	20500	20800	20500
Pohang Iron St	52500	51800	51900	51900
Samsung Elec	72500	69500	72000	70600
Samsung Hvy	13200	12800	12900	13200
Yukong	26300	25500	25600	25900

Singapore
Straits Times: 2278.93 Previous: 2276.95

	High	Low	Close	Prev.
Cerebos Pac.	12.60	12.10	12.10	12.30
City Devlts	11.30	11.10	11.10	11.20
Cycle Carriage	14.60	14.40	14.40	14.30
Dairy Farm Int *	0.81	0.78	0.81	0.79
DBS	9.50	9.35	9.50	9.35
DBS Land	4.98	4.88	4.98	4.88
Fraser & Neave	15.40	15.10	15.20	15.50
HK Land *	2.30	2.25	2.25	2.25
Hong Leong Fin	N.T.	N.T.	N.T.	3.90
Jard Matheson *	7.15	6.75	7.15	6.65
Jard Strategic *	3.18	2.88	3.16	2.84
Keppel	11.70	11.40	11.50	11.50
Natsteel	2.68	2.66	2.68	2.67
Neptune Orient	1.53	1.40	1.42	1.41
OCBC foreign	17.50	17.40	17.40	17.40
O'Sea Union Bk	6.70	6.65	6.65	6.70
Sembawang	7.15	6.95	6.95	7
Sing Airlines F	14.40	14.10	14.10	14.40
Sing Petim	1.71	1.71	1.71	1.71
Sing Press F	26.30	26.10	26.10	26.40
ST Auto F.	2.83	2.80	2.80	2.80
ST Ship	2.41	2.41	2.41	2.41
Sing Telecomm	3.76	3.68	3.74	3.74
Straits Steam	4.56	4.10	4.54	4.50
Utd Industrial	1.40	1.38	1.40	1.40
Utd O'Sea Bk F	13	12.80	13	12.90
Wing Tai Hdgs	3.12	3.06	3.10	3.10

*: in U.S. dollars.

Stockholm
SX 16 index: 2085.75 Previous: 2098.58

	High	Low	Close	Prev.
AGA BF	117.50	116	117.50	115
ABB AF	699	692	695	692
AssiDoman F	155	153	153.50	155
Astra AF	294.50	291	293	291
Atlas Copco AF	125.50	124	125	125
Avesta F	67	65.50	66	67.50
Electrolux BF	348	343	346	346
Ericsson BF	153	148	149	152.50
Hennes BF	525	513	513	525
Incentive AF	360	356	356	356
Investor BF	242	235	238	240.50
Kinnevik BF	201	197	198.50	200.50
MoDo BF	171.50	167.50	169	171.50
Sandvik BF	153	151.50	152	153
SCA BF	137	135.50	137	136
S-E Banken AF	54	53	53.50	53.50
Skandia Fors F	182.50	178	181.50	182
Skanska BF	227	224	225	227
SKF BF	154.50	153	154.50	153.50
SSAB BF	86.50	85	85	86
Stora AF	88	85.50	86.50	88
Sv Handles AF	138	134.50	136	138
Sydkraft AF	N.T.	N.T.	N.T.	147
Trelleborg BF	83.50	82.50	83	84.50
Volvo BF	152.50	149	150.50	152

Sydney
All Ordinaries: 2216.20 Previous: 2230.60

	High	Low	Close	Prev.
Amcor	8.59	8.48	8.52	8.48
ANZ Bking	5.63	5.55	5.62	5.55
BHP	18.66	18.53	18.65	18.52
Boral	3.34	3.31	3.34	3.31
Brambles Ind.	17.35	16.85	17.20	16.85
Burns Philp	2.36	2.34	2.34	2.35
CBA	10.25	10.08	10.25	10.08
CC Amatil	13.80	13.75	13.80	13.75
Coles Myer	4.62	4.60	4.60	4.61
Comalco	7.08	7	7.05	6.95
CRA Ltd	19.92	19.78	19.80	19.80
CSR	4.60	4.57	4.60	4.57
Fosters Brew	2.22	2.20	2.22	2.21
GIO Australia	3	2.95	2.99	2.96
Goodman Fld	1.31	1.29	1.30	1.30
ICI Australia	10.80	10.60	10.80	10.60
John Fairfax	2.70	2.67	2.69	2.68
Lend Lease	19.40	19.34	19.35	19.35
Mayne Nickless	7.20	7	7.20	7
MIM Hdgs	1.72	1.69	1.70	1.73
Nat Aust Bank	11.16	11.10	11.15	11.10
News Corp	6.97	6.90	6.96	6.90
North Ltd	3.64	3.57	3.61	3.58
Pacific Dunlop	2.74	2.69	2.70	2.69
Pioneer Intl	3.69	3.60	3.65	3.61
Placer Pacific	1.83	1.80	1.83	1.82
Santos	4.28	4.24	4.27	4.27
Southcorp	3.19	3.13	3.17	3.14
Wesfarmers	7.32	7.20	7.29	7.20
Wstn Mining	9.02	8.87	8.96	8.90
Westfield Trt	2.20	2.18	2.20	2.20
Westpac Bking	5.48	5.42	5.43	5.43
Woodside Pet	7.28	7.22	7.27	7.21
Woolworths	2.99	2.96	2.99	2.96

Taipei
Stock Market index: 6314.74 Previous: 6276.18

	High	Low	Close	Prev.
Asia Cement	52.50	51	52.50	51.50
Cathay Life Ins	193	186	187	190
Chang Hwa Bk	163	156	157	158
China Steel	31.50	29.60	30.10	29.80
China Trust	56	52	52.50	55
Evergreen	52	49.90	50	50.50
Far East Text	32.70	31.10	31.20	31.70
First Bank	164	156	157	159
Formosa CP	34.50	33.10	33.80	32.70
Hua Nan Bk	152	144	145.50	147
Hualon Teijran	24.80	23.60	23.90	24.60
ICBC	95	90	90.50	94
President Ent	44.30	42.30	42.60	42.70
Taiwan Cemt	60.50	56.50	58.50	60
Tatung	58	56	56	57

Tokyo
Nikkei 225: 22289.39 Previous: 22082.40

	High	Low	Close	Prev.
Ajinomoto	1310	1280	1310	1260
All Nippon Air	1170	1150	1150	1150
Asahi Bank	1300	1280	1280	1270
Asahi Chem	800	792	796	799
Asahi Glass	1320	1310	1320	1310
Bk Tokyo Mitsu	2540	2520	2530	2520
Bk Yokohama	950	943	945	933
Bridgestone	1970	1930	1970	1940
Canon	2260	2220	2250	2270
Chiba Bank	949	943	946	945
Chubu Elec	2480	2440	2450	2460
Chugoku Elec	2460	2420	2440	2430
Daiei	1310	1280	1290	1280
Daiichi Kang	2020	1990	2010	1980
Daiwa Bank	774	767	767	771
Daiwa House	1680	1660	1670	1660
Daiwa Sec	1500	1470	1480	1470
Fanuc	4360	4270	4340	4290
Fuji Bank	2400	2370	2370	2340
Fuji Photo	3380	3320	3360	3340
Fujitsu	1040	1000	1020	1010
Hitachi	1090	1050	1070	1050
Honda Motor	2760	2730	2730	2710
IBJ	2750	2720	2750	2710
IHI	508	498	503	504
Itochu	772	760	764	758
Ito-Yokado	6350	6280	6350	6340
JAL	897	880	889	880
Jusco	3430	3370	3420	3340
Kajima	1110	1080	1080	1090
Kansai Elec	2480	2450	2460	2460
Kao	1510	1490	1490	1490
Kawa Steel	392	383	387	382
KDD	10200	9850	10200	9890
Kinki Nipp Ry	796	790	793	786
Kirin Brewery	1320	1300	1300	1290
Kobe Steel	309	303	303	303
Komatsu	1080	1040	1060	1040
Kubota	729	721	721	716
Kyocera	7850	7780	7800	7780
Kyushu Elec	2600	2550	2580	2580
LTCB	880	861	876	860
Marubeni	613	604	604	600
Marui	2320	2260	2310	2240
Matsu Elec Ind	1960	1940	1950	1940
Matsu Elec Wk	1190	1170	1170	1180
Mitsubishi	1480	1460	1460	1470
Mitsubishi Ch	520	513	514	516
Mitsubishi El	798	783	787	777
Mitsubishi Est	1520	1500	1500	1490
Mitsubishi Hvy	952	935	950	938
Mitsubishi Mat	950	931	950	921
Mitsubishi Tr	1870	1830	1850	1820
Mitsui	996	984	984	996
Mitsui Fudosn	1410	1380	1390	1370
Mitsui Trust	1240	1200	1220	1200
Murata Mfg	4340	4240	4340	4270
NEC	1240	1210	1230	1200
New Oji Paper	955	935	935	941
Nikko Sec	1220	1170	1220	1170
Nintendo	8200	8030	8200	8050
Nipp Credit Bk	400	398	400	397
Nipp Express	1090	1070	1070	1070
Nippon Oil	797	730	758	724
Nippon Paper	695	681	684	686
Nippon Steel	367	359	362	361
Nippon Yusen	647	638	643	640
Nippondenso	2400	2350	2360	2340
Nissan Motor	923	910	915	910
NKK	327	316	324	316
Nomura Sec	2210	2170	2200	2170
NTT	8180a	8050a	8150a	8040a
Obayashi	1040	1020	1020	1010
Odakyu El Ry	744	724	731	712
Ono Pharm	3800	3720	3800	3740
Osaka Gas	396	392	394	390
Ricoh	1180	1160	1160	1180
Sakura Bk	1220	1200	1210	1190
Sankyo	2730	2700	2730	2720
Sanwa Bank	2140	2100	2140	2090
Sanyo Elec	667	655	658	652
Secom	7110	7050	7060	7100
Seibu Rwy	5960	5720	5960	5730
Sekisui House	1280	1260	1260	1260
Seven-Eleven	6920	6800	6840	6830
Sharp	1860	1830	1850	1840
Shimizu	1260	1230	1240	1220
Shin-etsu Ch	2230	2190	2220	2180
Shizuoka Bk	1410	1390	1400	1390
Sony	7130	7040	7130	7060
Sumitomo	N.T.	N.T.	N.T.	1210
Sumitomo Bk	2130	2090	2090	2090
Sumit Chem	545	534	540	532
Sumitomo Elec	1570	1540	1540	1540
Sumit Metal	337	323	323	332
Sumit Trust	1560	1530	1540	1540
Taisei	818	803	811	802
Taisho Pharm	2420	2380	2420	2390
Takeda Chem	1940	1920	1940	1920
TDK	6550	6490	6540	6540
Tohoku El Pwr	2460	2440	2450	2460
Tokai Bank	1390	1370	1380	1370
Tokio Marine	1440	1410	1420	1410
Tokyo El Pwr	2770	2750	2760	2750
Tokyo Gas	402	396	397	398
Tokyu	851	833	847	830
Tonen	1620	1590	1600	1590
Toppan Print	1580	1550	1580	1540
Toray Ind	773	765	770	764
Toshiba	793	780	789	775
Toyo Seikan	3850	3750	3800	3820
Toyo Trust	1140	1100	1110	1090
Toyota Motor	2610	2580	2590	2580
Yamaichi Sec	794	778	791	777
Yamanouchi	2400	2360	2390	2340
Yasuda Fire	820	809	811	815
Yasuda Trust	678	673	676	675

a: x 100

Toronto
TSE Industrials: 5038.19 Previous: 5069.61

	High	Low	Close	Prev.
Abitibi Price	18½	18.35	18½	18½
Air Canada	4.97	4.90	4.90	4.94
Alberta Energy	25.40	25	25	25.60
Alcan Alum	42¼	41.35	41.80	42¼
Avenor A	22.20	21⅞	22.15	22.10
Bk Nova Scotia	32.10	31.60	31¾	32
Barrick Gold	39	38.40	38⅝	39
BCE	53.05	52½	52.80	53
BC Telecomm	26.30	26.20	26.20	26.30
Bombardier B	20.10	19¾	19.90	20.10
Brascan A	26.05	25.70	25.70	26.10
Cameco	62¾	62¼	62.45	62½
CIBC	44.95	44.55	44¾	44.95
Cdn Airlines	3.10	3	3.05	3
Cdn Nat Res	24.85	24¾	24.80	25
Cdn Occid Pet	24	23.20	23.20	24.05
Cdn Pacific	29¼	28.80	28.85	29.20
Cominco	30.10	29.60	30	30
Consumers Gas	21	21	21	21
Dofasco	20.15	19.55	19.70	20.10
Domtar Ind B	9.80	9.80	9.80	9.70
Du Pont Cda A	29½	29½	29½	29¾
Echo Bay Min	15½	15.15	15.30	15½
Empire Co. A	12½	12¼	12½	12½
Falconbridge	30.05	29½	29¾	30.05
Fletcher Chall A	18.10	18	18	18.15
Franco Nevada	86	83½	84	84¼
Guardian Cap A	N.T.	N.T.	N.T.	9
Hemlo Gold	15.60	15.35	15.60	15.60
Horsham	19½	19.35	19.35	19.45
Imperial Oil	55.90	55.45	55.45	55.60
Inco	43½	42.95	43.30	43.65
IPL Energy	34.55	34.10	34.10	34½
Laidlaw A	13¼	13.70	13.70	13.80
Laidlaw B	13.80	13.60	13.60	13.80
Loewen Group	39.65	39.30	39.60	39.20
Ldn Insur Gp	28½	28¼	28½	28½
Macmill Bloe	17.70	17.35	17.40	17.70
Magna Intl A	65½	65¼	65.30	65.55
Maple Leaf Fds	7.40	7.35	7.40	7.35
Moore	25.45	25	25	25.35
Newbridge Net	89.20	83	83	89.20
Noranda Inc	27.80	27⅞	27.40	27.80
Noranda Forest	9.05	8.80	9	8.95
Norcen Energy	22.20	21.85	22	22¼
Nthern Telecom	71.90	70¾	71.90	71½
Nova	12.60	12.35	12½	12.60
Onex	13½	13¼	13.30	13.35
Placer Dome	34.90	33¾	34.20	34¾
Potash Sask	86½	84½	85	86¼
Provigo	7.45	7¼	7.45	7.10
Quebecor Print	23.30	23.20	23¼	23.30
Renaissance	35.20	34.20	34.30	35.30
Rio Algom	26.10	25½	26	26¼
Seagram Co	47	45.90	46	47
Stone Consold	16.90	16.80	16.90	16.85
Talisman Eny	32.45	32	32.15	32.60
Teleglobe	27.25	27.15	27.20	27.20
Telus	18.20	18.10	18.15	18.20
Thomson	22.85	21.60	21.60	22.10
TorDom Bank	24.35	24.15	24¼	24.35
Transalta	14.55	14.35	14.40	14.45
TransCda Pipe	20¼	20	20.05	20.20
Utd Dominion	30.10	29.80	29.90	29.80
Westburn	10.15	10.05	10.15	10.10
Westcoast Eny	20.60	20.45	20.45	20.55
Weston	47¼	46¾	47	46¾

Vienna
ATX index: 1128.73 Previous: 1120.93

	High	Low	Close	Prev.
Aust Airlines	1850	1850	1900	1900
Brau-Un Goess	711	706	706	711
Bund Vers Pfd	398	398	490	490
Creditanst PC	1390	1390	1490	1490
EA-Generali	3325	3250	3250	3340
EVN	1510	1500	1500	1511
Interunfall	1550	1550	1600	1600
Lenzing	726	720	720	729
Leykam	317	315	316	319
Mayr-Melnhof	490	485	485	490
OMV	1092	1085	1092	1093
Oest Brau	636	632	634	637
Oest Elektriz	830	826	827	827
VA Tech	1335	1329	1329	1341
Wienerberger	2249	2230	2240	2255

Wellington
NZSE-40 index: 2057.98 Previous: 2028.53

	High	Low	Close	Prev.
Air N Zeald B	3.24	3.22	3.22	3.24
Brierly Invt	1.32	1.30	1.32	1.31
Carter Holt ord	3.45	3.40	3.45	3.39
Fernz	4.35	4.30	4.35	4.30
Fisher Paykel	4.46	4.40	4.42	4.46
FC Forest	1.84	1.82	1.82	1.79
Goodman Fder	1.53	1.51	1.53	1.52
Indep News	5.02	5.00	5.00	5.00
Lion Nathan	3.70	3.67	3.70	3.66
Nat Gas note	1.90	1.88	1.88	1.88
NZ Refining	25.90	25.70	25.90	25.90
Telecom NZ	5.90	5.79	5.90	5.73
Trust Bk NZ	N.T.	N.T.	N.T.	2.20
Wilson Horton	9.45	9.43	9.45	9.43

Zurich
SPI index: 2330.50 Previous: 2337.05

	High	Low	Close	Prev.
Adia B	312	305	312	310
Alusuisse R	1035	1024	1024	1017
Ares-Serono B	975	969	975	970
Baer Hdg B	N.T.	N.T.	N.T.	1340
Baloise Hdg R	2660	2640	2650	2640
ABB B	1525	1516	1519	1500
Bk Vision	1465	1450	1455	1457
Bobst B	1770	1750	1750	1760
Ciba Geigy R	1428	1415	1416	1427
CS Holdings R	112.50	111.50	111.75	111.75
Elektrowatt B	437	435	436	436
Fischer B	1435	1420	1435	1420
Hilti PC	925	920	920	915
Holderbank B	961	952	953	965
Merkur Hdg R	270	267	269	268
Nestle R	1404	1390	1395	1405
Oerlikon R	130	129.50	130	130
Pargesa Hld B	1450	1445	1445	1450
PharmVisn B	5790	5740	5770	5780
Pirelli B	168	166	166	170
Roche Hdg PC	9415	9340	9410	9380
Sandoz R	1346	1333	1334	1344
SBC R	243.50	241.75	242.50	243.50
Schindler B	1305	1300	1305	1300
SGS B	2910	2890	2900	2880
SMH B	889	874	875	885
Sulzer R	800	795	797	796
Swiss Reins R	1238	1223	1223	1232
Swissair R	1265	1255	1265	1266
UBS B	1203	1194	1198	1197
Winterthur B	734	728	728	738
Zurich Assur R	339	337	337	337

NASDAQ

Friday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Friday's 4 p.m. Close

(Continued)

ASIA/PACIFIC

TI-Acer Will Delay Plant Construction As Chip Prices Slide

Compiled by Our Staff From Dispatches

TAIPEI — Texas Instruments-Acer Inc. on Friday joined a growing list of chipmakers that will slow expansion because of declining product prices.

The company said it would indefinitely delay completion of a $1.35 billion plant in Hsinchu, south of Taipei on the west coast of Taiwan. Construction of the plant began in October.

TI-Acer will continue building the facility but will postpone deliveries of chip-making equipment to avoid accounting charges, Ruth Pao, a spokeswoman, said.

"We'll take another look at the market by October and see where we are," she said. "We're going ahead with the building so we'll be in a good position to move when the market improves."

"It's the best choice in a bad situation," said Michael Hung, research manager at Nikko Securities Co. in Taipei. "This eases cost pressure."

Memory-chip prices have fallen by more than half since the end of last year as supply has increased and demand has been lower than expected, analysts said.

"The spot price now is below their production costs, said there's no point in going ahead," said Derek Tien, an analyst with ING Barings in Taipei.

Alex Cheng, president of TI-Acer, said he hoped the decision to postpone the start of production would help stabilize chip prices.

When ground was broken on the plant in October, TI-Acer said it expected to begin making chips in the first quarter of 1997.

TI-Acer said on June 3 that it was halting production of four-megabit dynamic random access memory, or D-RAM, chips because months of price-slashing had made it virtually unprofitable.

The company said it was focusing on production of 16-megabit chips but planned to move quickly to 64-megabit chip production.

"The current prices for four-megabit and 16-megabit D-RAM chips continue to test new lows," it said. "In the future our new plant will directly produce higher-capacity 64-megabit D-RAM in order to avoid the price-cutting competition."

TI-Acer's decision is the latest in a series by major semiconductor companies to slow expansion of memory-chip production.

Toshiba Corp. said this month that it would cut production of four-megabit D-RAM, chips to 2 million a month from 5 million and would lower plans for production of 16-megabit chips by 20 percent.

(Bloomberg, Reuters)

Talks Fail On Insurance

Compiled by Our Staff From Dispatches

TOKYO — Japan and the United States failed to bridge differences over how to open up the Japanese insurance market after another round of high-level discussions Friday.

Finance Minister Wataru Kubo of Japan met with Walter Mondale, the U.S. ambassador, to discuss the issue for the third time since working-level talks were broken off last month.

"There's still a substantial difference between us," Mr. Mondale said.

The two governments are deadlocked over what parts of Japan's $407 billion insurance market to liberalize and when. Japan wants across-the-board deregulation, starting with the accident-insurance market, where American companies have a significant presence.

Washington, on the other hand, hopes to keep powerful Japanese companies out of that sector until price and product-variety restrictions on life and property insurance are removed. *(Bloomberg, Reuters)*

The Emergence of Macau

Tiny Territory Aims to Be Asia's Monte Carlo

Reuters

MACAU — After a lifetime in the shadows of Hong Kong, this territory is emerging on the international map — as a gambler's dream.

For decades it was a quiet outpost off the southern coast of China. Its only lure was a handful of casinos that sucked in Chinese punters from Hong Kong, where gambling was banned.

Today, the Portuguese-ruled enclave — which is due to be returned to Chinese sovereignty Dec. 20, 1999, more than two years after Britain hands back Hong Kong — is going up market, with huge deluxe gambling halls, a new international airport, tourism and communications links, luxury hotels, and big infrastructure projects.

"Macau is Asia's Monte Carlo," said Victor Ng, a business leader and politician, pointing out that half the government's revenue comes from gambling taxes harvested from the gaming tables and slot machines.

Casino turnover is a trade secret, but it is estimated to reach into hundreds of millions of dollars

Covering a mere 18.98 square kilometers (7.1 square miles) spread over a narrow, hilly peninsula and two islands, Macau has a population of 424,000 souls, 96 percent of whom are Chinese-speaking. Its nearest neighbor other than China is Hong Kong, 65 kilometers (40 miles) to the east.

Last year, nearly 8 million tourists provided Macau with 43 percent of its gross national product and jobs for 30 percent of its local work force.

"Tourism is becoming Macau's real No. 1 industry," said Antonio M. Salavessa da Costa, secretary for communications, tourism and culture. "It will be more of a service city than an industry city."

The territory's other main earnings come from the export of light industrial products, mainly textiles, toys and shoes.

Portuguese traders settled Macau in 1557, but after Lisbon's colonies in Asia shrank in the 17th century, the outpost became isolated from Portugal. When Britain founded Hong Kong in 1842 after beating China in the Opium War, Macau was soon eclipsed.

But this has changed in the past few years as Portugal pushed Macau to capitalize on the economic changes sweeping southern China, to revive its role as a gateway to China and to prevent the colony from becoming a mere appendage of the special economic zone of Zhuhai, just across the border.

"Before now, Macau had only two doors — Hong Kong and China," Mr. Salavessa said. "Now people from Macau can go anywhere in the world, and people from the world can fly into Macau."

The territory forms one point of a boom triangle with Hong Kong and the Chinese province of Guangzhou. It also is next door to China's thriving special zones of Shenzhen, Zhuhai and Shekou, which have blazed the trail for market economics and foreign investment in China.

Two islands, Taipa and Coloane, are linked to the main city on the Macau peninsula, which juts out from the Chinese mainland on the west side of the Pearl River estuary.

A world trade center was opened last month, and a railway-station project and other major construction efforts on land reclaimed from the enclave's shallow harbor are under way.

A modern city of high-rise buildings is almost completed on a vast area of reclaimed land on the waterfront. The project, which involved closing off the scenic Praia Grande bay, was intended to transform Macau from a "shadow of Hong Kong" into a "dragon head" of tourism with its own identity, officials say. Macau offers visitors charming vistas and an intriguing East-meets-West atmosphere, with a blend of Portuguese colonial architecture and old Chinese houses on narrow, winding hillside streets.

Visitor arrivals over the past year from Japan have risen 43 percent, from Taiwan, 180 percent, and from South Korea, 34 percent.

Macau's airport also is functioning partly as a transit point for travel between mainland China and Taiwan. About 546,000 mainland Chinese visited Macau in 1995, becoming the second biggest spenders, after the Taiwanese.

Japan's Recovery Dances to a Slow Tune

Reuters

TOKYO — The tempo of Japan's economic recovery remains very much a slow shuffle, the government said Friday.

While some barometers of economic health have improved, a leveling off of the demand for semiconductors is a cause for concern, an official of the Economic Planning Agency said.

"There are some brighter signs, such as consumption and a better outlook for corporate profits," he said, "but it is too early to judge whether the recovery will become sustainable or not."

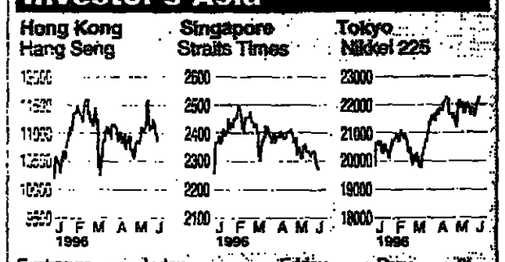
The agency has now described the recovery as "gradual" in five consecutive monthly reports. The reports look at several indicators and represent the government's official assessment of economic performance.

The agency's tone was cautious overall, playing down recent upward revisions in corporate capital spending and stressing that falling demand for semiconductors had the potential to slow the recovery.

Economists, however, while noting there could be some damage, were not pessimistic about the effects of a weak chip market.

The report also downgraded its assessment of exports from "flat" to "somewhat weak."

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	10,855.00	10,855.00	0.01
Singapore	Straits Times	2,270.93	2,276.95	-0.26
Sydney	All Ordinaries	2,216.20	2,200.60	+0.71
Tokyo	Nikkei 225	22,289.29	22,082.40	+0.94
Kuala Lumpur	Composite	1,125.48	1,121.62	+0.34
Bangkok	SET	1,256.04	1,247.05	+0.72
Seoul	Composite Index	862.53	874.68	-1.39
Taipei	Stock Market Index	6,314.74	6,376.10	-0.96
Manila	PSE	3,166.32	3,209.47	-1.34
Jakarta	Composite Index	592.36	581.53	+1.86
Wellington	NZSE-40	2,057.90	2,028.53	+1.45
Bombay	Sensitive Index	4,049.39	3,965.44	+2.12

Source: Telekurs International Herald Tribune

Very briefly:

- **China** posted a trade surplus of $146 million for May as import growth slowed. Exports were $12.16 billion, a drop of 5 percent from May 1995; while imports rose 4.5 percent, to $12.01 billion, a rise of 4.5 percent.
- **Taiwan Semiconductor Manufacturing Co.** signed a three-year agreement to manufacture memory chips for **Fujitsu Ltd.** of Japan; the company will produce chips with capacities of at least 16 megabits.
- **The Japan Automobile Manufacturers Association** said a planned increase in Japan's consumption tax to 5 percent would depress vehicle sales and cause job losses.
- **Japan's** governing coalition plans to submit a bill in January that would remove bank regulation and inspection from the jurisdiction of the Ministry of Finance. The coalition will also try to strengthen the independence of the Bank of Japan.
- **Haagen-Dazs Japan's** offices have been raided by the Fair Trade Commission on suspicion that the ice cream company violated anti-cartel laws by ordering retailers to maintain its "suggested prices." A spokesman for the company, which is 50 percent owned by **Grand Metropolitan PLC** of Britain, denied the allegation.
- **Jardine Matheson Holdings Ltd.** bought an unspecified number of shares in its subsidiary **Jardine Strategic Holdings Ltd.**, helping the stock rise 32 cents, to 3.16 Singapore dollars ($2.24). Jardine Matheson said it bought the shares "to enhance our earnings and business."
- **Japan's** Ministry of Transportation plans to apply to the **Tokyo Stock Exchange** next Friday for the initial listing of shares in **West Japan Railway Co.** The actual date of the offering, which has been postponed several times, has yet to be determined. *AP, Bloomberg, Reuters*

The Precarious Trading Life of 'Mr. Copper'

Bloomberg Business News

TOKYO — Every work day, "Mr. Copper" would leave his two-story house in the posh suburb of Chiyogaoka for the offices of Sumitomo Corp., where he turned from a nondescript salaryman into the most powerful trader in the world's $27 billion copper market.

But Friday morning, the company said it had fired Yasuo Hamanaka after he admitted covering up $1.8 billion in losses, the largest financial disaster ever blamed on a single trader.

The firing comes in the midst of an investigation by the U.S. Commodities Futures Trading Commission into manipulation of copper prices — something Sumitomo's competitors have been accusing the huge trading company of for years.

Mr. Hamanaka, 48, is estimated to have bought and sold as much as 500,000 metric tons of copper a year, not counting tens of millions of dollars' worth of futures and options to protect Sumitomo against rises and falls in prices. That amounts to about 5 percent of all the copper traded in the world, enough to earn him another nickname: "The 5 Percent Man."

His habitual trading volume was large enough that Sumitomo all by itself could move the price of copper, which is used in electrical wires and electronic equipment all over the world and in pipes for plumbing as well as being a major component of brass.

Outside the office, Mr. Hamanaka led what appeared to be a quiet life as another anonymous member of Japan's army of blue-suited businessmen.

Chiyogaoka is a quiet, tree-lined neighborhood in the city of Kawasaki, an hour's train ride from central Tokyo. Unlike much of the rest of cramped Japan, Mr. Hamanaka's neighborhood consists of single-family-houses with room for a well-tended flower garden in front.

'He'd always go into the market on the buy side. He was a formidable competitor, although we wondered how he could make profits on that kind of aggressive trading.'

Neighbors said they seldom saw Mr. Hamanaka, who generally went to work in midmorning and stayed far into the night, until the London and New York metals exchanges opened.

His wife, returning from the grocery store in a shiny black Mitsubishi sports car Friday morning, said only that he had left for the office as usual.

"My husband tells me little about what's going on in his job, so I don't know anything about it," she said.

Mr. Hamanaka could not be reached for comment Friday.

But other traders said Mr. Hamanaka often bought copper at above-market prices, presumably to keep from losing previous bets he had made — using futures and option contracts — that copper prices would stay high. He had been placing these bets for a decade, Sumitomo said, making him one of the most aggressive buyers of copper in the world.

That did not endear him to traders who had bet the other way, guessing prices would fall, and got hammered when Sumitomo sent prices up instead.

"He was conspicuously bullish over the past decade," said Seiichiro Sato, a rival trader at the trading house Mitsui & Co. "He'd always go into the market on the buy side. He was a formidable competitor, although we wondered how he could make profits on that kind of aggressive trading."

The copper market had started to fall a few weeks ago amid speculation that Mr. Hamanaka had been fired and that Sumitomo might start selling. After the firing became official, copper futures tumbled to a two-year low in after-hours trading in New York. "This market is going to drop like a stone," warned Marc Dulin, a vice president of Dulin Metals Co.

As the Japanese became bigger players on the world's metal exchanges in the past 10 years, Mr. Hamanaka became a rarity — a well-known Japanese executive. In a profile published in The Wall Street Journal profile in 1991, he responded to accusations he and Sumitomo had manipulated the copper market, saying:

"There are various rumors and slanders against me, though I'm getting used to them. We are well aware of a big impact we have on the market, regardless of whether we intend it or not."

Sumitomo, now a sprawling group of businesses, actually started in 1603 as a copper-mining company.

Founded by a Buddhist priest named Sumitomo whose sect had disbanded, the company had grown into a mighty industrial group by World War II. After the war it was broken up by the Americans then re-established as a typical loose confederation of Japanese companies led by Sumitomo Bank.

But Sumitomo has not done well in the 1990s, with sales and earnings declining every year except 1995 as Japan's economy went into a deep slump that led to pressures to squeeze out more profit. Sumitomo said it learned Mr. Hamanaka might have been squeezing a little too hard when it began cooperating with U.S. regulators and their British counterparts on an inquiry into price manipulation.

The company said it then turned up a bank statement that credited it with funds it could not identify. The statement led to Mr. Hamanaka.

SUMITOMO: *A Breakdown of Control*

Continued from Page 1

dustrial park development in Indonesia.

"They know their business is spreading out," said Tomoyasu Kato, an analyst for Nomura Research Institute, talking about the big trading companies. "They are now strengthening control and management."

Sumitomo executives have not revealed much about the motives and mode of operation of Yasuo Hamanaka, the 48-year-old head of its copper trading operations, who it said had incurred the losses.. Mr. Hamanaka was dismissed Friday, Sumitomo executives said.

But there does seem to be a striking similarity between the Sumitomo and Daiwa Bank incidents. In both cases, the losses were incurred by essentially one trader acting over a decade or more.

Sumitomo officials said at a press conference Friday that it appeared that Mr. Hamanaka had started his unauthorized market speculation to cover losses he incurred trading for the company's account. This was the same motive attributed to Toshihide Iguchi, the trader of U.S. Treasury bonds who incurred Daiwa Bank's loss.

Another striking similarity: Both Mr. Hamanaka and Mr. Iguchi apparently not only did the trading but also handled the paperwork to enter it on the company's books, removing a crucial check in the system and allowing them to cover up their trading by falsifying accounts.

While most people are rotated frequently in Japanese companies, both Mr. Iguchi and Mr. Hamanaka, who traded copper for 15 years, stayed in their posts for a long time, developing expertise that made them indispensable and made it difficult for others to challenge their actions.

To be sure, Mr. Iguchi was a little-known executive in a remote New York outpost of the Osaka-based Daiwa. Mr. Hamanaka was known throughout the world among copper traders. He operated in a core business of Sumitomo in Tokyo and was a big enough star that Tomiichi Akiyama, the president of Sumitomo, took time to meet him some years ago.

Sumitomo appears to be trying to draw one other difference between it and Daiwa, saying it informed authorities in the United States and Britain within days after Mr. Hamanaka confessed on June 5, although it had suspicions about him from early May.

Daiwa took six weeks to tell U.S. regulators that it suspected a big loss from Mr. Iguchi's trading, incurring a wrath that led to its American operations being shut down.

Mr. Akiyama said Friday that Mr. Hamanaka's trades were done off the books and were thus hard to detect. However, he said that Sumitomo's systems of checks and balances would be reviewed.

"The incident is regrettable as it happened despite Sumitomo's principle of placing a priority on trust," he said.

Analysts said Sumitomo, which has the strongest capital base of the trading companies, would be hurt but not crippled by the loss.

The company has about $4 billion in unrealized gains from securities it holds and can sell some of them to cover the loss, they said.

COPPER: *U.K. Investigates Huge Losses in Japanese Trading*

Continued from Page 1

leading role in the market, regulators quickly turned their attention in its direction. Working with the U.S. regulator, the Commodities Futures Trading Corporation, they ultimately passed news of their concern to Sumitomo. Finally, on June 5, Mr. Hamanaka reportedly confessed to years of unauthorized off-the-books trading.

It was three weeks earlier, though, that the market had gotten its first hints that something was amiss. Rumors that Mr. Hamanaka, copper's leading bull, had been dismissed from his post at Sumitomo were widely blamed for a 15 percent fall in the metal's price in just four days in mid-May. On May 17, the company denied the dismissal but admitted that Mr. Hamanaka had been reassigned.

According to Sumitomo, their first indication of serious problems came in early May, when the company received notice of a $200,000 bank credit in its copper trading activities that it could not account for. Company officials then transferred Mr. Hamanaka away from trading and began a full investigation.

What made Mr. Hamanaka's fate especially important to the markets was that in recent months traders had become increasingly convinced that a long-running undersupply of copper had been reversed at last. With new mines coming into production in Chile, Australia and New Zealand, many traders had become convinced that the only thing standing between the price of copper and the floor was Mr. Hamanaka and his conviction that prices need not fall.

What surprised many observers was that in spite of Sumitomo's announced losses, the metal's price proved remarkably stable on Friday. Following a steep overnight selloff, copper regained much of its lost ground in trading Friday.

Some attributed the performance to pledges from Sumitomo that it would not sell off its huge positions and thus do further damage to copper prices, which have now lost 30 percent of their value since early May. Others suggested that Sumitomo had already sold off many of its positions, a move they say may account for the huge volatility in copper prices over a 10 day period.

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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting of Shareholders of MONTEREY TRUST, SICAV will be held at its registered office in Luxembourg, 50, avenue J.F. Kennedy, on 25 June 1996 at 3.00 p.m. for the purpose of considering and voting upon the following matters:

1. Presentation of the management report of the Directors and the report of the Auditor.
2. To approve the statement of net assets and the statement of changes in net assets for the year ended 31st March 1996.
3. To discharge the Directors with respect of their performance of duties during the year ended March 31st 1996.
4. To elect the Directors and the Auditor to serve until the next annual general meeting of shareholders.
5. Any other business.

The shareholders are advised that no quorum for the statutory general meeting is required and that decisions will be taken by the majority of the shares present or represented at the meeting.
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SATURDAY-SUNDAY, JUNE 15-16, 1996
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THE MONEY REPORT

FIRST COLUMN

Accepting Lessons of Capitalism

SKEPTICS would call it fashion. Cynics would see it as envy. Whatever the reason for its popularity may be, the world in general — with the exception of a few insignificant, notionally Communist autocracies — has bought the idea of market capitalism in a big way.

But buying something is very different from understanding it and getting the best out of it, as many parents who have given their offspring computers would agree. As we near the end of the millennium the worldwide dominance of capitalism is clear. Its suitability for all the countries that have adopted it is less certain.

Take Russia, under the international microscope ahead of Sunday's elections. Observers cite two problems that impede the healthy rooting of capitalism.

The first is the notion that an agreed price and a handshake constitute a firm deal. Major Western corporations have faced tremendous difficulties in negotiating with Russian businesses.The thinking goes that a deal that is fair when made is voidable if economic or other conditions change to make it hard — or unfair — on one of the parties. The message that certainty of bargain is fundamental to the business ethic does not quite seem to have gotten through.

The second problem is a straight hangover from the old regimes of Eastern and Central Europe. Under communism, people were taught that all profit was bad. Now the opposite is understood to be true. From there it has been a short step to the kind of gangster capitalism that is part of everyday life in so many formerly Communist countries.

From a long-term perspective, an investment in emerging Europe should be in most investors' portfolios. But they should be aware that the much talked-of structural problems apply not just to industry and the legal system, but to the structure of people's thinking too.

M.B.

Investors Nervously Await Outcome of Russian Election

By Iain Jenkins

Emerging Europe

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Bulgaria's beginnings
Friends of Slovakia ...
... Czech Mates
Funds: So far, so good

RARELY can the outcome of an election hold such dramatically different, apparently simple scenarios for investors. If Boris N. Yeltsin wins the presidential election (the first round is Sunday), conventional wisdom has it that the Russian market will take off like a Russian rocket. If he loses to the Communists, most investors are predicting a meltdown on the scale of Chernobyl.

Most pundits are forecasting a Yeltsin victory, with fund managers saying that this makes Russia a fantastic opportunity for mutual fund investors to make a fortune overnight. They say that, like all good offers, the cheap sale of Russian assets ends when polling starts. But be warned: it is also the opportunity to lose a fortune.

Some cautious heads says that there is still a risk of a shock Communist victory. So, for anyone making the bet, and a bet is what it is, they will need nerves of steel. But with Mr. Yeltsin favored to win, the upside is sky-high. In anticipation of a Yeltsin victory, the CSFB ROS Index of Russian stocks has already doubled since its low point in March to 1,010. This seems like a lot and many people have started to ask if all the good news is in the price.

But that is not the view of the fund managers on the ground in Moscow. Beth Hebert, who runs the $70 million Fleming Russia Securities Fund from there, said: "Investors have been sitting on their hands. Projects have been put on hold. If Yeltsin wins the potential is enormous. The markets could double again by the end of the year."

She said that foreign investors have simply seen Russia as a political play. Once the election is out of the way, they will start to look at the fundamental restructuring that many companies have undertaken. She added, "When they start appreciating the micro changes that have taken place, there will be a second rally."

It is a view echoed by David Curl, who manages $250 million of Russian funds for Regent Kingpin from Hong Kong.

"The market has doubled since March in anticipation of a Yeltsin win," he said. "At the very least it could go up another 40 percent when he actually wins. But it is more likely to double again." He says that investors should not be put off by the surge in the market since March. Stocks are still fundamentally undervalued, he asserted. "The entire market capitalization of Russia was only $12 billion in March. It is now more than twice that. That is still less than Hong Kong Telecom."

For mutual fund investors, the advice is to buy into funds that hold most of their portfolio in the large five Red Chip companies, which account for almost all the turnover on the Russian market. Within a relatively short space of time, the advice is then to switch out of the big Red Chip companies into a fund that invests largely in smaller Russian stocks that have been largely overlooked by investors so far.

In the year to May, among the best performing Russia fund, with a rise of 72 percent, was Regent's White Tiger Investment Co. Flemings fund was up 62.7 percent, according to Micropal. Over the same period the CSFB ROS Index is up 70.7 percent.

Most of the Western mutual funds have underperformed the index because they have heavy weightings in smaller stocks, which may do well in the next phase of the rally. Richard Sobel, who runs the ING Barings First NIS Regional Fund, said: "Much of the most spectacular gains for the top five to six stocks have been made. Investors will do better buying in the second tier stocks after the election."

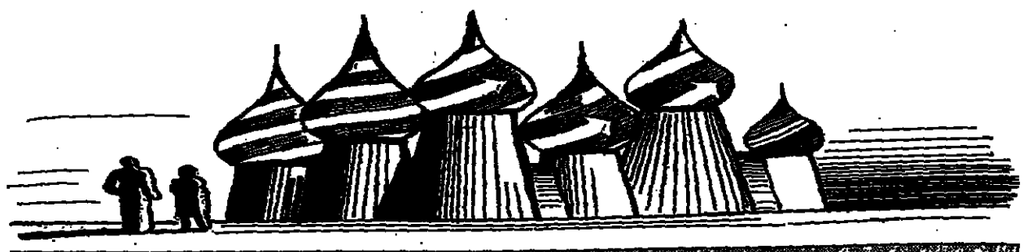
However, the real question is: What are the risks of the pundits getting it wrong and of the Communists storming to victory? After all, the Communists are back in power in every major former Warsaw Pact country except the Czech Republic. Furthermore, there is genuine support for a return to the old Soviet days amongst certain sections of the population.

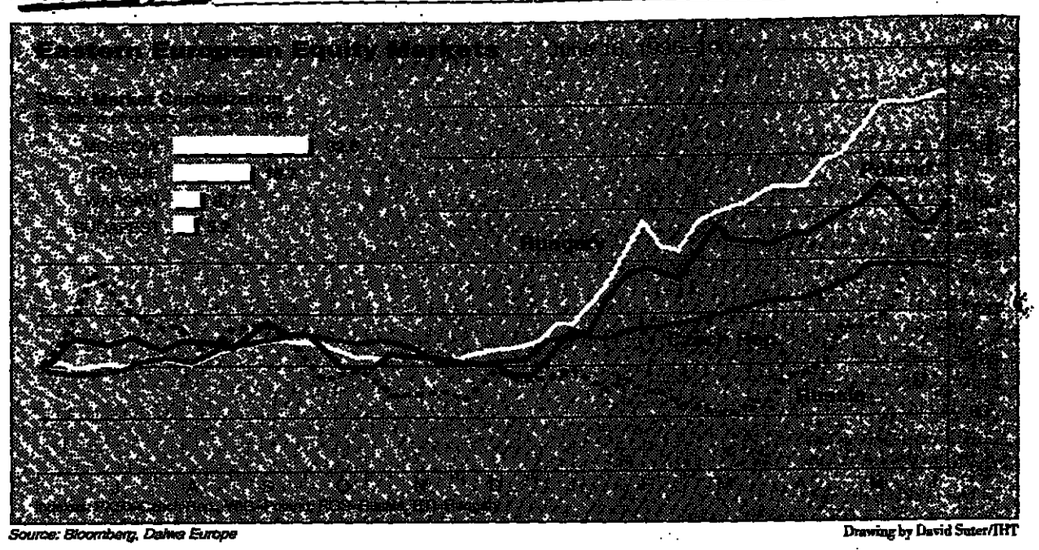
Yura Ostrowsky, Russian fund manager for Pictet, the Swiss private bank, said: "In straight demographic terms there is still a risk. Roughly 30 percent of the voting population is over 50. They will all turn out and vote Communist. Another 30 percent are 18 to 35. They are natural reformers but have a tendency not to bother voting. That leaves Yeltsin's fate in the hands of the 35 to 50 year olds."

The weight of evidence from opinion polls indicates that there is little chance of the Communists winning. Mr. Yeltsin now has a lead in the polls, although by other accounts the race with Gennadi A. Zyuganov is neck and neck. But Mr. Ostrowsky doesn't believe the pollsters, who have been wrong before. Furthermore, there is a suspicion in Moscow that the polls are being doctored to make Mr. Yeltsin look like a winner.

Mr. Ostowsky at Pictet said that "if there is any chance of the vote going the wrong way, it will be manipulated. And who is going to complain? Certainly not the West. Maybe a few *babushkas*. What are they going to do against the military and the money men?"

By whatever means that Mr. Yeltsin wins, the main argument for an explosion of the Russian market is that political uncertainty has meant that many of the large Western mutual funds have sat on the sidelines. They have been waiting for a sign that the political situation has stabilized. Big U.S. emerging market mutual funds may start to move into Russia. All it takes are tiny volumes to push up prices in Moscow and there could be an avalanche of Western money.





Source: Bloomberg, Daiwa Europe

Drawing by David Suter/IHT

Polish Market Reflects Economic Spurt

By Judith Rehak

POLAND'S roller-coaster stock market gave battle-hardened investors a smoother ride than usual in the second half of last year, as the country awaited the outcome of the December national elections. But once it was clear that Poland's new president, the former Communist Alexander Kwasniewski, would not revert to the past, the lid was off. The WIG, Warsaw's stock exchange index, rocketed 37 percent in January alone, and as of last week, was up 67 percent for the year.

The stock market boom has been inspired by more than stable politics, however. After a 7 percent gain last year, Poland's vibrant economy is expected to grow another 5.5 to 6 percent in 1996, outstripping most of its Central European neighbors. Direct foreign investment in its industrial and service sectors has surged to the $7 billion mark, and corporate earnings, up 50 percent in 1995, are expected to top 20 percent on average this year.

Some of the biggest stock price run-ups have been in companies that are strong exporters. For example, Debica, a tire maker in which Goodyear has a stake, has seen its shares nearly double to 62 zlotys ($23) apiece since January. "Costs are low because labor is cheap, their product is top quality and they're sending 43 percent of their output to the West," said Richard Saler, of the Lexington Emerging Markets fund.

Another star performer is Elektrim, a former state-owned company that has reinvented itself as a conglomerate with a hand in everything from power generation to building an East-West highway across Poland to the mobile phone business. A staple of foreign investors' portfolios, its shares have soared to more than 18 zlotys from 8.35 zlotys over the past five months.

Not surprisingly, some fund managers have decided to trim back while they are so far ahead. Mark Madden, who runs the Boston-based Pioneer Emerging Markets fund, took profits on his shares of Debica, purchased at 17 zlotys, when they hit 62.

"The economy is still strong," he said, "but I think the market has gotten ahead of itself."

Though Poland remains her favorite country, Isabelle Goiri, manager of the Schroder Eastern Europe fund, reduced her holdings after they ballooned to nearly half of her $115 million portfolio. She sold shares in the brewers Zywiec, and Okocam, where a boardroom battle has clouded the picture.

At the same time, investors in Poland are diving into a new sector — banks. Bank shares missed out on the market rally because of a furor over privatization in December, when the government unexpectedly announced it would hand its 46 percent share in the BPH bank to government-owned Bank Handlowy — without consulting BPH's two private shareholders, the Dutch bank ING and the European Bank for Reconstruction and Development.

"The episode cast a pall over the entire banking sector," said Ms. Goiri of Schroders. That apparently caused the government to reconsider its policy, and it eventually backed down on the plan, leaving investors to snap up bank stocks on the cheap.

The enthusiasm for banks is based on the premise that Poland's outdated banking sector is ripe with opportunities for growth. There is little corporate lending, with most banks investing their deposits in low-yielding Polish Treasury bills; on the consumer banking side, only 10 percent of 40 million Polish citizens have checking accounts.

Are There Bargains Left in Hungary?

By Conrad de Aenlle

HUNGARY ranks last among the three big Central European states in several key measures of economic health, including inflation and growth in gross domestic product and industrial production. Yet its stock market shows a robustness unequaled in the region this year, having risen by about 80 percent, when expressed in dollars.

The adage "no pain, no gain" applies well to Hungary. After the Soviet Union released its grip on the country at the turn of the decade, people in this most Western of the former Soviet satellites reacted to their freedom in a very Western way: They bought things, foreign things.

The nation's current-account deficit expanded to whopping proportions as acquisitive Hungarians sent money out of the country to pay for foreign goods. The fledgling democratic government, eager to please, ran up a big deficit in its budget to help finance the consumption. Fiscally, Hungary was a mess.

"They were borrowing from themselves and foreigners, mounting twin deficits," explained Roger Monson, chief equity strategist at Daiwa Europe, who noted that Hungary's current-account deficit had reached an alarming 10 percent of GDP in the first quarter last year.

"Things had gotten out of control," he said. "Without an austerity program, Hungary could be another Mexico, as people were speculating at the time."

The indulgence of Hungarian authorities in the early post-Soviet days was an effort to ease gently into economic liberalization rather than plunge headlong into it, as the Poles and others did, Isabel Knight, a fund manager at Foreign & Colonial Emerging Markets, said.

This idiosyncratic approach, jokingly called "goulash capitalism," was deemed necessary because the way Hungary was governed in the Soviet era — known, unsurprisingly, as "goulash communism" — was also uncommon in the East bloc.

"Hungary didn't really undertake communism the way others did," Miss Knight said. "It was more Westernized, so it was the first market for foreigners."

Because privatization has been carried out slowly, keeping the market much smaller than others in the region, foreign dominance has been exaggerated; foreigners own 80 percent of Hungarian shares, compared with 20 percent in Poland. The foreign multitudes that had first poured into Hungary got spooked and fled the market when the crisis in the economy deepened last year.

It was then that the government, whose policies had driven the economy to the brink of ruin, or at least abetted the public's self-destruction, had a damascene conversion. The currency was devalued, making foreign imports more expensive and Hungarian exports cheaper, tariffs were imposed to ensure that foreign consumption would diminish and civil service employment was reduced by 10 percent to slash government spending.

"It was a case of do this or melt down," Mr. Monson said. "They held to the course." The austerity measures resulted first in a surge in exports in 1995 and, this year, sharp reductions in the budget and current-account deficits.

Hungary did not become another Mexico and share prices suddenly looked cheap at the start of this year, a time when, quite handily, a number of investment funds targeting Eastern Europe were starting up and spraying money around.

But after that 80 percent advance this year, prices look a lot less cheap, and people who follow Hungary are urging caution. Susanne Hallergard, at ING Barings, said in a report that there is still much more reforming to be done. Social security costs eat up too much of the state budget, she said, wages are too high, keeping consumer prices high, and domestic savings continue to be low.

"The recent rally in share prices already reflects the positive economic reforms achieved in 1995," she wrote, adding: "Any further upside will come only if the present government gathers enough support to tackle politically unpopular social security reform."

Mr. Monson has adopted a neutral stance on Hungary because of his own reservations about the economy, which he forecasts to grow by 2.5 percent this year, a revision from a previous forecast of 4 percent. Besides, he said, after such a stirring advance, the easy money has been made and returns, if any, will be much harder to come by.

"This is a time for stock selection," he said. "In December you could have thrown a dart and picked 10 stocks, closed your eyes and enjoyed the ride."

He reckons the ride will still be pleasant for shareholders of certain companies, including Zwack Unicom, a beverage company; Graboplast, a fiber producer, and Richter Gedeon, a leading drug maker.

Irfan Jammohamed, who manages money in Eastern Europe for Mercury Asset Management, said that he, too, was "still concerned on the macroeconomic front. Announcements can shock the market, but we're over the worst."

His list of companies worth owning includes Richter Gedeon and another pharmaceutical company, Egis; the chemical producer Borsodchem and the bank OTP.

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THE MONEY REPORT

Lure of East Europe's Market Boom

By Aline Sullivan

YOUNG MEN in the last century were advised to go West. Today, in Europe, aggressive fund managers of both sexes are heading East.

The $125 million Baring Emerging Europe Trust, for example, has 65 percent of its assets invested in Central Europe, 20 percent in Russia and 15 percent in Portugal, Greece and Turkey. When the fund opened in January 1994, two-thirds of its assets were invested in Portugal, Greece and Turkey.

"Portugal was up about 8 percent over the past year which makes it attractive for mature market investors," said Martin Taylor, investment analyst at the fund. "But in Central and Eastern Europe, the markets are up 50 percent and more. That's the kind of growth we are looking for."

Even with its new asset weightings, the Baring fund retains an unusually broad focus. The shift to the East has meant that only a handful of funds still provide any exposure across the emerging economies of Europe, often described as Europe's periphery.

Micropal, the London-based fund monitoring group, currently tracks only three emerging Europe funds: the Baring fund; the $16 million BBL Invest Emerging Europe fund run by Banque Bruxelles, and Morgan Grenfell's $4 million EMF European Emerging Markets fund.

Eastern European Equity Funds

Total % return in U.S. dollars to May 31, 1996

	Year to date	one year
Mercury Sel-East Eur	74.58	N/A
Vontobel East Eu Eq	61.77	70.69
Fiem Flag-East Euro	56.60	59.45
ABN Am Fd-East Eu Eq	51.12	41.40
Eastern Capital	50.01	60.18
Schroder East Europe	48.46	47.43
Central & East Euro Fd	46.93	35.63
DIT-Dres GS-Osteu DM	45.88	N/A
DIT-Dres GS-Osteu US	44.53	N/A
Clariden GI-Russia	42.53	25.85
HYPO Osteuropa	41.33	31.51
Pictet TF-East Euro	39.44	23.04
JBaer Coop-Cent EurB	39.41	27.27
Optima Opportunity	37.57	42.66
Pioneer Aggressive	37.31	N/A
EM Osteuropa (Lux)	34.55	29.08
F&C Polish Invest Co	31.22	19.80
BBL Invest Emrg Euro	29.09	24.36
Donau Fonds	22.13	19.55
Discover-Europe Inv	21.28	31.78
FIT Czech Investment	16.18	14.11

Source: Lipper Analytical Services, Inc. IHT

Roy Bracher, the manager of the Invesco East Europe Development Fund, regards Eastern Europe as an economic, rather than geographic, label. He now invests in Kazakstan and the Baltic Republics as well as Russia, Hungary, the Czech Republic, Poland and Romania. The $185 million fund, which was launched in 1990 and has generated a 10 percent return since the beginning of this year, invests principally in high growth consumer goods companies.

Stefan Bottcher, manager of the $130 million FFF Fleming Eastern Europe fund, is also becoming active in Russia although his fund still focuses on Central Europe.

"The Polish and Hungarian markets have appreciated strongly over the past year although we believe they still offer good value," he said. "But the Russian market has an upside potential of between 50 and 100 percent after the election.

"Longer term," he added, "the growth in unquantifiable. So we are not even close to a full long term investment in Russia yet."

Flemings also launched a $80 million Russian fund in August 1994.

According to Mr. Bottcher, both funds are considering investments in the Ukraine, Kazakstan and the Baltic states.

"The best performing funds lately in the region are the Russian and Baltic state funds," said Oscar Blanco, a researcher at Micropal. "Not surprisingly, we have seen a large number of Russian fund launches recently." The number has jumped about 80 percent over the last 12 months, he said.

All told, Micropal tracks 21 funds that concentrate on Russia, and five funds that focus on the Baltic states. That compares with 31 that invest across Eastern Europe. Many more Russian funds are expected to join these ranks next year. That's good news for private investors in what have hitherto been illiquid markets.

Many fund managers believe that at least parts of emerging Europe now offers enough scope for adequately diversified investments but warn that private investors should only consider funds with wide asset spreads. Although there is some correlation in the markets' performance, they often perform very differently, they said.

"There has been a noticeable shift to Central and Eastern Europe because the stock markets have more stability now," observed Lesley Chadwick at Fund Research in London. "Investors who have been previously put off by the volatility are now looking for alternative investments, particularly as the Western European markets converge."

A Caution Light on Czech Republic . . .

By Digby Larner

THE CZECH Republic seems an obvious choice for international investors looking for an East European home for their cash. When the so-called Velvet Revolution toppled the Communist government in 1989, the country was expected to adapt swiftly to the free market.

Much of the groundwork, indeed, was completed even before the 1989 revolution. It was the first former Communist country to join the OECD and has applied to join the European Union. Yet despite some excellent macroeconomic credentials, the Czech Republic remains big on potential but short on delivery.

Isabel Knight, a fund manager with Foreign & Colonial Emerging Markets, said that while she recommends investors have some Czech exposure, she is wary of becoming too involved.

"I have trouble getting excited about the Czech Republic. It has its good points, but I think its shares are expensive and the stock exchange isn't transparent enough for my taste."

The success of the Czech Republic's far-reaching privatization program, begun in 1993, is at the root of some of these problems. Although mass privatization was originally welcomed as a sign of the government's long-term commitment to reform, it succeeded mainly in concentrating shares into a handful of big investment funds.

Moreover, until recently, fund managers took little or no interest in the corporations they own. As a result, urgently needed industrial restructuring has not happened. Nor has the government made any serious attempt to regulate the stock exchange. With too few safeguards available, international and private local investors are reluctant to enter the market. Since prime minister Vaclav Klaus failed to gain a majority in last month's general election, analysts say, the likelihood of more rigorous reforms may have faded.

But many investors are bullish about the Czech market. Although its trade deficit continues to threaten the strength of the currency, inflation is expected to fall from its current 9 percent to around 6 percent during the next two years and GDP growth is set to continue at around 6 percent, according to analysts.

Radhika Ajmera, a director with Abtrust Fund Managers in Scotland, said the market faces some hurdles but these should soon be overcome.

"No matter which side eventually takes control, there is nothing to worry about. I do not think the Communists are going to have much say but, in any case, all sides are fairly agreed over how the economy should be run."

The trade deficit, she added, is less of a problem than some analysts claim. A high proportion of the country's imports are investment-based, she said, and will have little impact on inflation levels.

James Hancocks, an emerging market specialist with the London-based investment firm, Guinness Flight, said that aside from political factors, pressure for a devaluation had eased thanks to heavy inflows of foreign investment.

But investors who have already placed their faith in the Czech market this year may be disappointed with the result. Since January share prices have grown by around 20 percent in dollar terms. This is impressive relative to many developed markets but is below returns achieved elsewhere in East Europe.

The most-favored stocks are construction or such related areas as cement. Telecommunications stock comes in a close second. "Foreign portfolio investors are restricted to the companies with a history of sound corporate governance — namely the largest, most liquid companies on the market," Mr. Hancocks said.

. . . While Slovakia Comes Into Its Own

UNTIL three years ago, the Slovak capital Bratislava was widely viewed as Prague's little sister, with most major markets, banks and financial institutions regarded as branches of larger, Prague-based operations. But while Slovakia's decision to divorce the Czechs may not have improved the bottom line of life much for ordinary Slovaks, Slovakia's markets have now come into their own, and for those not adverse to a little risk, they can offer some excellent returns.

Right now, says Jozef Oravkin, an official with VUB Invest, Slovakia's largest domestic fund, and one of its most respected, the best returns are coming from the large Slovakian investment funds, which are traded with discounts of 45 to 60 percent. Mr. Oravkin said he expects the discount will narrow substantially because of several factors, including the dozens of takeover battles now raging in Slovakian boardrooms.

"We may see some cases like that in Slovakia, where investors can realize substantial profits," Mr. Oravkin said. "The trick is the right timing. It's risky and you should diversify into several funds, and have good local brokers with reliable and regular information so you can make your decision at the right time."

At ING Barings Securities in Bratislava, the analyst John Scanlon offers similar advice: Get good counseling to lower your risks, and the rewards can be substantial.

"If you do your homework and have good information sources, you can do quite well in this market. It's been ignored and there's room for bargains here," Mr. Scanlon said. The Bratislava bourse is up nearly 40 percent this year, and the Slovak koruna has showed remarkable resiliency against the dollar. The 1995 average was 29.27 korumy to the dollar, and at the end of May it was trading at 30.974.

"That's quite a hard currency," Mr. Scanlon said. "If you're return is 40 percent, you're going to be able to get most of that back in the currency you are investing with. I'd say that's one of the best aspects of investing in the Slovak capital markets."

Bad news can also be good news for some investors. Inflation was riding at about 6 percent last month and April's unemployment rate was 12.5 percent, with few prospects of major job increases, so the central bank has taken a hard-line monetarist stance, raising interest rates to bring down inflation.

This means bonds, especially corporate debt, is another good buy in Slovakia. Many of the former Communist bloc countries had good records of debt repayment, and that tradition has continued in post-Communist Slovakia. Mr. Scanlon says corporate bonds can offer returns of 12 to 21 percent.

As the name of its benchmark index, the SAX-6, might suggest, the Bratislava bourse is not very large and not very liquid. For that reason, brokers and analysts recommend sticking with the local blue chips, including the shipbuilder Slovenska Lodenice, the monopoly oil refiner Slovnaft, and the chemicals maker Chemolak.

But buyers beware. In Slovakia, market rationales can often take a back seat to politics. The government still holds major stakes and sometimes golden shares in many companies, and boardroom battles often reflect the inner workings of the fractious government coalition, not market sense. Besides, low-priced government-sanctioned sell-offs to managers have often come at the expense of small shareholders.

— PETER GREEN

Looking for Thrills? Consider Bulgaria

By Peter Green

FOR INVESTORS who want a real emerging market, Bulgaria is a market that has yet to emerge. Since the fall of the Communist dictator Todor Zhivkov in 1989, Bulgaria has done little more than stall on the road to market reforms, and few foreigners have made serious investments in the country.

The Sofia stock exchange is so murky that few Bulgarian-based banks and traders will swim in its waters. The ebb and flow of governments here has left privatization virtually at a standstill, and the dozens of investment funds that have emerged to handle shares from an expected privatization wave later this year are nearly all tied to the private and state-owned banks that are either insolvent or have been shut down in the past few months.

The only serious investments for foreigners in Bulgaria right now, say the few foreign bankers in the country, are Brady bonds, bits of Bulgaria's foreign debt that can be applied to payments for companies the government may yet privatize, and major industrial investments.

There is essentially no personal investment in Bulgaria, as most of Bulgaria's investors have sent their money abroad. The central bank says it is still trying to find billions of dollars that were allegedly exported in the early 1990s, when savvy, Western-schooled Communists ran the country, suspended repayment on Bulgaria's foreign debt, and were widely suspected of stashing huge sums abroad.

But for those interested in hands-on trade, Bulgaria may offer some good opportunities.

"If you want to do Russian trade, Bulgaria is a very good idea," said John Dryden, a senior banker with the Sofia office of Austria's Raiffeisen Bank. "If you have industrial know-how and are willing to come here and run a company, there are many capital-starved industries with extremely good managers and the potential to develop trade eastwards."

Textiles, shoe manufacturing, and light engineering are fields he recommends.

Despite the pressure from Sofia's brazen racketeers, high taxes, the paucity of rich tourists and the ongoing political turmoil, Philip Bay, an American, enjoys running Radio City, a Planet-Hollywood style American theme restaurant with one of the finest kitchens in Sofia.

"You have to be here physically, 24 hours a day. You can't be a passive investor in Bulgaria," Mr. Bay said.

One group of savvy investors, however, has found a home for their money in this Balkan backwater. Money watchers say the thousands of affluent Russian tourists who flock to Bulgaria's Black Sea resorts in the summer have been quietly buying up coastal properties, finding it a far safer investment than anything at home.

BRIEFCASE

Old Mutual Offers Long-Term Device

Old Mutual International, an offshore arm of Old Mutual, a South African investment and insurance company, is launching a new plan aimed at the longer-term saver.

The firm's new product, Prima, is essentially a life insurance feeder device into Old Mutual's investment funds. Prima offers a "bonus" of 1.25 percent allocated monthly to the bid value of investors' units in the funds. If investors keep capital committed for at least nine years they will benefit from annual bonuses every year thereafter.

Cynics would say that the downside of this structure is that the gap between the bid and offer prices for Prima investors is a sizable 7 percent. Regular saving into a low-charge mutual fund, without insurance frills, is difficult to beat.

Minimum investments may be made in most major currencies, and must be the equivalent of $750 a month, made quarterly, half-yearly or annually. The insurance adds just an extra 1 percent to the value of the fund if an investor should die.

For more information, call Old Mutual International at Guernsey in the Channel Islands at (44 481) 726 726.

Schroder to Open Emerging Fund

Schroder Investment Management, a British investment firm with specialist expertise in emerging markets, is planning to launch a new mutual fund next month.

The Schroders Emerging Countries Investment Trust will aim to achieve capital growth by investing primarily in the stock markets of emerging countries worldwide. Its specific target will be to outperform the Morgan Stanley Capital International Emerging Markets Free Index.

The initial asset allocation is expected to have 54 percent of assets in Asia, 26 percent in Latin America, and 20 percent in Europe, the Middle East and Africa. The fund is denominated in British pounds, and the minimum investment is £2,000 ($3,000).

For more information, call Schroder Investment Management Ltd. in London at (44 171) 382 3527.

Where Money Goes

Mutual fund investment managers worldwide are putting more money into emerging Europe and Africa, according to a recent survey from fund statistician, Micropal. Managers of the 107 funds surveyed now have 20 percent more bias to the region than a year ago, with fund assets totaling almost $6.8 billion.

The Money Report is edited by Martin Baker

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All the conferences and lunches will be held at the Pavilion d'Armenonville: Allée de Longchamp - Bois de Boulogne - 75116 Paris.
Simultaneous translation is provided in English and in French during the entire Forum.
Participation in the Forum is free of charge, except for the morning of Thursday, July 11, including lunch, for which a contribution to cover costs is required.
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EXPLORING A CITY LIKE NO OTHER

A guide to the varied neighborhoods of New York.

Although many residents abandon the city for the beaches or the mountains, New York does not resemble Paris and other European cities in the summer. Many people prefer to remain in order to take advantage of cultural, sporting or culinary opportunities denied them in the dead of winter. "You can get a table in the best restaurants" has become a standard response when asked why they stay. For proof, visit Central Park on any weekend day and try dodging the hordes of joggers, bicyclists, rollerbladers and horseback riders.



Central Park: a haven of nature in the heart of New York.

Ever aware of the importance of tourism, the city and its institutions have made a concerted effort to attract visitors. The first stop for visitors should be the New York Convention & Visitors Bureau on Columbus Circle at Broadway and 58th Street.

There, one can find information on virtually everything going on, plus transportation information, discount coupons and other bargains.

Additional visitor-information centers are located at Times Square, Penn Station, Grand Central Station, 2 World Trade Center and the Port Authority Bus Terminal. First-time visitors or those who have special interests or who wish to see specific neighborhoods can contact the Big Apple Greeters (see box).

With the crime rate plummeting and a general upsurge in the local economy, the public's perception of the city has fueled a tourism boom.

The most-visited sites – such as the Statue of Liberty, the World Trade Center, the South Street Seaport and the Metropolitan Museum of Art – are jammed during the peak summer months. Sometimes, it seems as though tourists have taken over whole sections of the city. The following areas are among the most popular:

West 57th Street. In the beginning, there was the Hard Rock Cafe, across the street from venerable Carnegie Hall. And it begat Planet Hollywood, the Jekyll and Hyde Club, the Motown Cafe, the Brooklyn Diner and numerous other descendants. Today, the blocks between Fifth and Eighth avenues are jammed with tourists seeking souvenir items from their favorite theme restaurant.

Fifth Avenue. New York's Main Street has become a tourist mecca, beginning with FAO Schwarz (made famous by the movie and the current musical "Big") on 59th Street, down to the Empire State Building on 34th Street. The Warner Bros. Studio Store on 57th Street has been so fabulously successful that it inspired the spawning of a huge, just-opened Disney store nearby. Across the street is Tiffany's, the jewelry emporium. Saks Fifth Avenue, Bergdorf Goodman and Lord, Rockefeller Center, St. Patrick's Cathedral, Lord & Taylor and the august New York Public Library are also popular.

Times Square. Once "the crossroads of the world," then a seedy hangout for pornography and drug dealing, "The Deuce" (local parlance for 42nd Street) is becoming known for family entertainment. Disney has renovated a theater, with other once-abandoned theaters reopening monthly. Many hotels are located nearby, and the area is the center of the Broadway Theater District.

Greenwich Village. The world-famous bohemian haunt has gone upscale. But New York's own Left Bank still beckons intellectuals and nonconformists. Literary types gravitate to the White Horse Tavern, where poet Dylan Thomas drank away his final days. Washington Square has been cleaned up, although occasional drug dealers still peddle their wares. Shopping along Eighth Street and Broadway from Houston Street to Astor Place offers up-to-the-minute funky street fashion.

Harlem. Yes, Harlem. Shrugging off its reputation as crime-ridden and drug-plagued, tourists from Europe and the Far East are flocking to the spiritual capital of Black America. Disney will be among the stores in Harlem U.S.A., a complex on 125th Street that will include an ice rink, 12-screen theater and indoor mall.

Until it is built, tourists enjoy the Apollo Theater, especially its Wednesday Amateur Night. Harlem Week (Aug. 5-25) includes concerts, a night-club series, a black film festival and theater productions. The most popular event is Sunday morning services at a gospel church, such as the Abyssinian Baptist Church, 132 W. 138th St. Harlem's most historic site, the Morris-Jumel Mansion, is a fully restored museum and Manhattan's only remaining Colonial residence.

BIG APPLE WELCOME

Founded only four years ago, the Big Apple Greeters has quickly become one of the favorite ways for overseas tourists to see New York City. To receive your own one-on-one, customized tour, all you have to do is call (212) 669-2896 or fax (212) 669-3685 and explain your interests and time limits. One of the 500 volunteers who work for Big Apple Greeters will meet you at your hotel for a tour of a particular neighborhood or a narrow field of interest (antiques, for example).

The service will celebrate its 10,000th tour at its anniversary in May. Funded by private sources, the Big Apple Greeters can provide guides in several languages and special areas of interest. The volunteers are neither paid nor tipped, and they pay their own way throughout the tour.

INTERNATIONAL SHOPPING

Tourists will find their favorite brands cost less than they do at home.

New Yorkers love to shop. Although locals complain about the growing implantation of shopping malls, New York still boasts more local emporiums and fewer chain stores than any other American city. There are so many stores that whole districts specialize in one category of items.

The Diamond District, for example, stretches between Fifth and Sixth avenues on 47th Street; the blocks of Bowery below Canal Street are known as the Lighting District, and so on.

International retailers have made New York their home because of its sophisticated clientele and tourism dollars. With the favorable exchange rates, Italians can buy Armani clothes, Japanese can buy Mitsubishi electronics and the English can buy Burberrys raincoats for less than they cost at home.

The stores selected below give an idea of the range of merchandise from around the world that can be found in New York City.

Agnès B. 116-118 Prince St., Soho. Tel.: (212) 925-4649. Paris chic with an edge. Anyone remember Uma Thurman's outré outfits from the movie "Pulp Fiction"? They were from Agnès B.

Kiehl's. 109 Third Ave. at 13th Street, East Village. Tel.: (212) 677-3171. Actors and models favor the all-natural cosmetics made on site at this landmark pharmacy, which was founded in 1851 and is still run by the same family. A selection of products is also available at Barney's and Bergdorf Goodman.

Manhattan Mall. 33rd Street and Sixth Avenue, Herald Square. Tel.: (212) 465-0500. Okay, so it's a mall. But this one is different – it is vertical, the 90 stores are unique and it has a New York theme. It is also across the street from Macy's, "the world's largest store.".

Mikimoto of America. 730 Fifth Ave. at 57th St. Tel.: (212) 664-1800. The originator of cultured pearls today offers a range of jewelry beyond pearls, as well as gift items, including pens, jewelry cases, scarves and frames, in a spectacular setting designed by Ronald Delau.

Modern Age. 102 Wooster St., Soho. Tel.: (212) 966-0669. Offers contemporary furniture from Italy, Spain and France, designed by stars like Philippe Starck and Marc Newson and made by Driade Moroso, Fontana, Arte and Memphis Milano.

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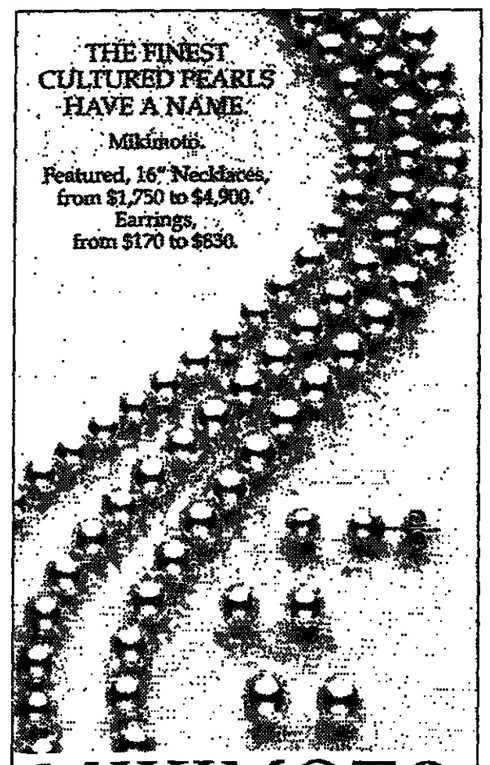
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Summer in New York

MUSEUMS: CLASSIC, TRENDY AND OFFBEAT

New York remains a world center for the fine arts.

Art galleries in New York are divided among three neighborhoods. Many of the galleries along Madison Avenue above 59th Street are run by prestigious dealers who offer clients specialized periods or geographic areas. Along East 57th Street, the galleries feature fine art. Soho is the home of contemporary art.

The newest art neighborhood is above 23rd Street and west of 10th Avenue in Chelsea, where several art dealers are relocating their Soho galleries among the garages and warehouses.

New York has dozens of museums devoted to every type of collection. Everyone knows about the Metropolitan Museum of Art, the Brooklyn Museum and the Museum of Modern Art, but there are dozens of offbeat museums offering everything from Tibetan art to dolls. Here is a sampling:

African-American Wax Museum. 318 W. 115th St. Tel.: (212) 678-7818.

A quirky tribute to black achievement, this private museum features replicas of famous figures, ranging from Malcolm X, Martin Luther King, Jr. and Nelson Mandela to Josephine Baker, Michael Jackson and Whoopi Goldberg. The museum is open from 1 P.M. to 6 P.M., Tuesday through Sunday by appointment only.

The Museum of Chinese in the Americas. 70 Mulberry St. at Bayard St., Chinatown. Tel.: (212) 619-7485.

New York's newest museum presents an intimate glimpse of the hardscrabble life Chinese immigrants have faced in the New World. Originally the Chinatown History Museum, it was founded to document the day-to-day life of long-gone hand launderers, restaurateurs and herbalists.

The Frick Collection. 1 E. 70th St. Tel.: (212) 288-0700.

One man's private collection, now open to the public, the Frick is New York's answer to Europe's finest art museums.

Housed in Henry Clay Frick's former mansion, the collection features European masters.

Until July 7, the Frick also is showing 50 drawings from Sir John Soane's Museum in London.

Isamu Noguchi Garden Museum. 32-61 Vernon Blvd., at the northeast corner of 33rd Rd. (enter on 33rd Ro. between Ninth and 10th Streets), Queens. Tel.: (718) 204-7088.

Founded in 1985 by the influential sculptor, this open-air repository of his work lies just south of Noguchi's studio. One of New York's most dramatic museum settings.

Jacques Marchais Museum of Tibetan Art. 338 Lighthouse Ave. at Richmond Road, Staten Island. Tel.: (718) 987-3500.

Many New Yorkers have yet to discover that the largest collection of Tibetan art outside Tibet itself lies in this hillside museum, built to resemble a mountain temple.

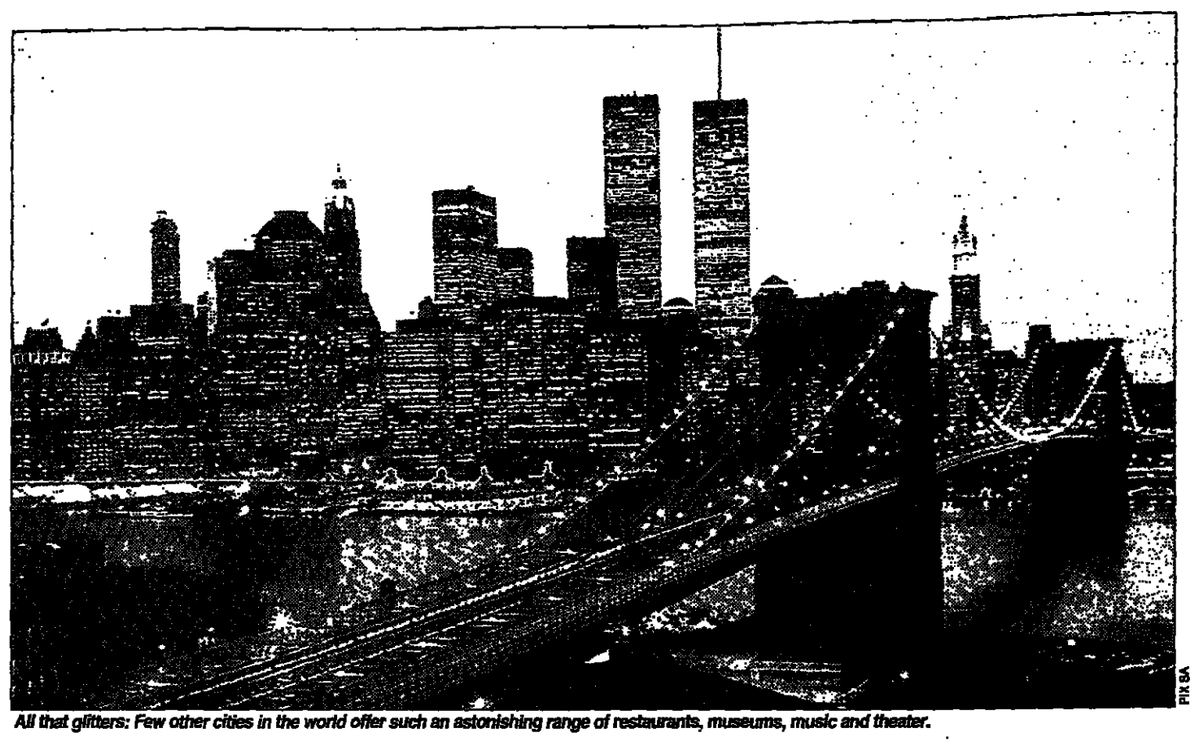
Lower East Side Tenement Museum. 97 Orchard St. Tel.: (212) 431-0233.

Housed in a real tenement, the museum recreates apartments of two German Jewish and Sicilian Catholic families.

The museum also has programs and tours that detail the immigrant experience.

The Smithsonian. The New York Coliseum at Columbus Circle. Tel.: (800) 913-TOUR.

Not a New York museum per se, but a traveling show put on by the Washington institution, this summer-only exhibit includes 300 objects from the permanent collection, including Amelia Earhart's flight suit, the Apollo 14 command module, the first telephone and art by American masters.



All that glitters: Few other cities in the world offer such an astonishing range of restaurants, museums, music and theater.

CULINARY ADVENTURES IN THE MELTING POT

A highly selective guide to restaurants in different neighborhoods.

No city in the world offers as wide a range of dining experiences as does New York. The choice is so varied and dazzling that it can be daunting. Many New Yorkers swear by the "Zagat Survey," available at newsstands, but it does veer toward the established restaurants. Most restaurants offer photocopies of their reviews in the window, alongside the menu. (Be sure to note the date of the review.)

ROMANTIC DINING

It may not be Paris, but New York has nearly as many outdoor cafés. Many restaurants feature backyard gardens as well, so ask before booking a table. Here is a sample of some romantic dining spots in New York:

Ballato. Houston St. at Elizabeth St. Tel.: (212) 274-8881. This small, inexpensive but elegant trattoria has a backyard for fair-weather alfresco dining. A three-course dinner before 6:30 P.M. costs only $12.50; a late-night menu is also available.

Cafe Gitane. 242 Mott St. Tel.: (212) 334-9552. French bistro food served by French waiters in an informal setting. This chic little cafe is emblematic of the gentrification of Little Italy, as older residents are replaced by young professionals.

Cafe Roma. Mulberry and Broome Streets. Tel.: (212) 226-8413. Pastries and espresso served in an ornate, Old World setting.

Chez Josephine. 414 W. 42nd St. Tel.: (212) 594-1925. Run by Jean-Claude Baker, son of the legendary Parisian chanteuse Josephine Baker. The food, appropriately, is French. Perfect for pre- or après-theater dining, it is consistently ranked as one of the most romantic spots in the city.

8 1/2. 208 E. 52nd St. Tel.: (212) 759-7373. Inexpensive Colombian and Italian specialties, served family-style in a setting any movie fan will recognize as the prototypical Italian restaurant, with brick arches and whimsical paintings. The menu combines old and new, all at very reasonable prices.

Gabriel's. 11 W. 60th St. Tel.: (212) 956-4600. Simply put, the best restaurant in the Lincoln Center area. Fine Tuscan fare. Favored by ballet and opera stars, the long, spacious dining room is formal and elegant.

Nirvana. 30 Central Park South. Tel.: (212) 486-5700. Reasonably priced (prix fixe lunch $12.95; dinner, $21.95) Indian food in a setting out of "Kismet." The views of Central Park are stunning; the decor is opulent – like the opium dream in "La Bayadere." As Zagat says, "The view alone is worth the price."

Pen & Pencil. 205 E. 45th St. Tel.: (212) 682-8660. At lunch, editors, writers and business executives fill up on some of the finest steak dishes in New York. But at night, the dining room becomes a quiet, subdued haven in East Midtown.

The Rainbow Room. 30 Rockefeller Plaza, 65th Floor. Tel.: (212) 632-5100. This is New York the way it looks in a Fred Astaire-Ginger Rogers musical: shimmery dance floor, Art Deco decor, with the lights of Manhattan twinkling below. The cuisine is not four-star, but food here is almost beside the point.

Water's Edge. 44th Drive and the East River, Queens. (718) 482-0033. You need to take a special ferry shuttle (or taxi) to get there, but it's worth it for the breathtaking view of the Manhattan skyline. One of the most romantic dining spots in New York.

SOUL FOOD

Soul food is a unique American specialty. New York offers some of the finest examples outside of the Deep South.

B. Smith's. 771 Eighth Ave. Tel.: (212) 247-2222. A sleek, upper-class take on classic Southern cuisine. Popular with black professionals for drinks and parties.

Cafe Beulah. 39 E. 19th St. Tel.: (212) 777-9700. Calling itself "a Southern revival bistro," this Flatiron favorite offers standard soul food uplifted to haute cuisine, thanks to presentation and the elegant setting.

Copeland's. 549 W. 145th St.; tel.: (212) 234-2356/2357. Seventh Avenue and 125th Street; tel.: (212) 665-0610. The restaurant at 145th Street serves the same food as the cafeteria on 125th. Both offer soul food specialties such as okra and tomatoes, black-eyed peas, smothered pork chops, jerk chicken and jambalaya; and a $4.99 lunch special (two pieces of fried chicken, cornbread, side dishes).

Emily's. 1325 Fifth Ave., at 111th Street. Tel.: (212) 996-1212. Mixed drinks include Emily's punch (three types of Bacardi rum, almond cream, fruit juices) and Diva's Feel Good Mix (juices and rum). Breakfast and lunch. Dinner specialties: fresh clams, jumbo shrimp, "Harlem burger" (with bacon, ham, cheese, fried onions, lettuce), chicken livers (fried or smothered), chicken and waffles, barbecued chicken and ribs, sandwiches.

Sylvia's. 328 Lenox Ave., corner 126th St. Tel.: (212) 996-0660. Harlem's best-known restaurant for 33 years. Daily specialties include oxtail, chicken giblets and pork chitterlings. Sylvia's has its own line of soul-food sauces and seasonings. The restaurant is planning to capitalize on its famous name with four branches in other cities.

Well's Restaurant. 2247 Seventh Ave. Tel.: (212) 234-0700. House specialties include smothered chicken and waffles, barbecued spareribs, baked Virginia ham, fried chicken, raw beef liver, shell steak, salisbury steak, lemon chicken, short ribs, catfish, Mississippi mudcake, pecan pie. Monday night, a 16-piece orchestra plays; at other times, a jazz combo.

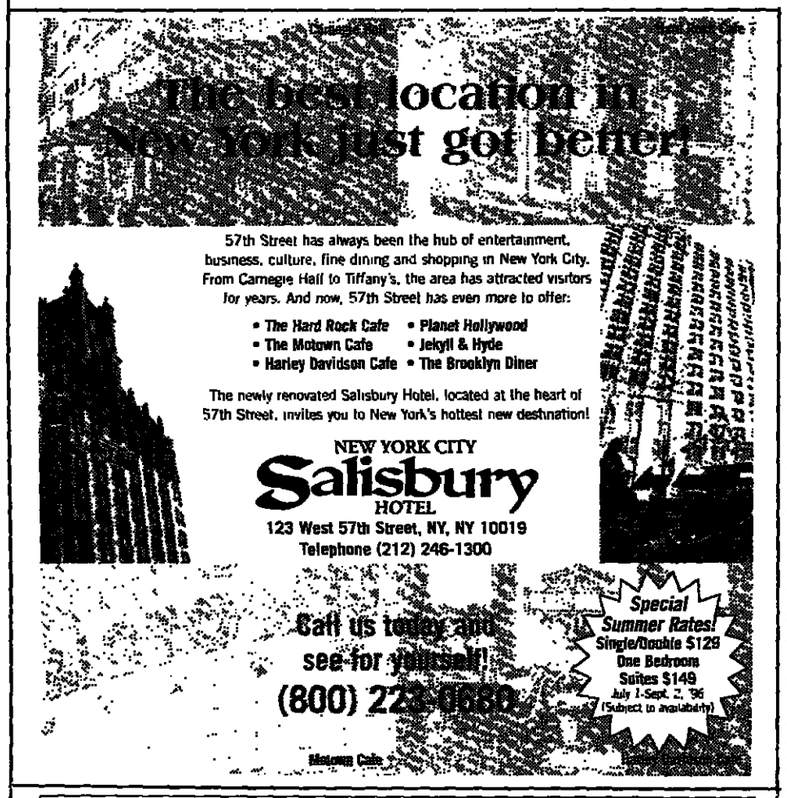
JEWISH FOOD

If there is a "New York cuisine," it is the deli meats and dairy dishes brought over from Eastern Europe by Jewish immigrants. Delis throughout the city serve pastrami and corned beef, but for the real thing in its original setting, you'll have to visit the Lower East Side.

Katz's Delicatessen. Houston St. at Ludlow St. Tel.: (212) 254-2246. Immortalized in the film "When Harry Met Sally" (yes, that scene), this is the shrine every politician who ever comes to New York must visit. "Send a salami to your boy in the Army" – they've been sending salami, corned beef, tongue, pastrami, hot dogs, etc. since before World War II. Cafeteria or waiter service. Try an egg cream (a chocolate concoction, no eggs) or Dr. Brown's Cel-Ray Tonic, a soft drink that includes celery extract.

Ratner's. Delancey Street, at Norfolk Street. Tel.: (212) 677-5588. Although the decor has been "updated" to 1950s Miami Beach high-kitsch pastels and plastic, this dairy restaurant remains true to its 1905 roots: onion rolls, blintzes, gefilte fish, vegetarian chopped liver, *hamantashen* (three-cornered pastries filled with prune butter) and other Jewish non-meat delicacies. Closed on Saturday.

Sammy's Roumanian. 157 Chrystie St., at Delancey Street. Tel.: (212) 673-0330. Food as theater. Sammy's is a tribute to the Old World-style of heavy, thick-cut meat. Music, dancing and singing accompany egg creams, brisket, chicken livers and other rich meats. You won't go away hungry.



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Summer in New York



HOTEL PIERRE

For those who have nothing left to prove: New York's top hotels offer quiet elegance and impeccable service.

THE SEARCH FOR THE PERFECT HOTEL

Accommodation is plentiful in all categories, but make your reservation early.

Hotel rooms in New York have been scarce all year, with the situation expected to worsen in the summer, so travelers are advised to book early. One way to guarantee a room at a lower rate is to book it through a hotel discounting service, such as Quikbook. These services buy blocks of rooms at a discount and pass part of the savings along. For example, a $360 suite at the Rihga Royal Hotel costs $225 through Quikbook.

Here is a sampling of what's available:

Comfort Inn. 42 W. 35th St. Tel.: (212) 947-0200.

Located in Murray Hill, a quiet, residential area near Midtown and the Flatiron District, the Empire State Building and the Javits Convention Center. The ambience of a small European hotel, with very reasonable prices.

Doral Inn. 541 Lexington Ave. at 49th Street. Tel.: (212) 755-1200.

Convenient to East Side corporate offices. 24-hour cafe. Business amenities, including an Executive Club and a private lounge.

Doubletree Guest Suites. 1568 Broadway at 47th Street. Tel.: (212) 719-1600.

Located in the Theater District. Each of the 460 suites includes living room, dining area and kitchenette. Meeting spaces, banquet and conference halls.

The Gorham New York. 136 W. 55th St., between Sixth and Seventh Avenues. Tel.: (212) 245-1800.

A European-style boutique hotel near Carnegie Hall and Lincoln Center. Only 120 rooms, with a lush lobby. Recently restored to its 1929 elegance, the decor is both intimate and sophisticated. The breakfast room looks over the historic City Center Theater. Modern rooms with full kitchenettes. The summer package ($159 for single or double) includes buffet breakfast and free parking.

Gramercy Park Hotel. 2 Lexington Avenue at 21st Street. Tel.: (212) 475-4320.

Located in the heart of one of the quietest and most elegant residential neighborhoods in Manhattan – complete with the city's only private park – but only two blocks from Flatiron District shops, offices and restaurants. Popular with performing artists and visiting celebrities.

Inter-Continental Hotel. 111 E. 48th St., between Park and Lexington Avenues. Tel.: (212) 755-5900.

A just-completed $20 million refurbishment, including redesign of the lobby, was more of a restoration, highlighting the neo-Federal motifs. The hotel offers 683 rooms, about 85 suites, fitness center and room service. A brand-new restaurant, the Barclay Restaurant, features New American cuisine and is the home of seven-ounce martinis and other specialty cocktails. The bar has become a popular meeting place for local office workers and guests. Near the United Nations, it is popular with diplomats.

The Kitano New York. 66 Park Ave. at 38th St. Tel.: (212) 885-7000.

Recently reopened after a $50 million renovation. Japanese ambience includes art collection and Japanese restaurant. There are 150 rooms (including an authentic tatami suite), as well as suites in an adjacent brownstone building. Near Grand Central Terminal. Hotel dates from the 1800s.

Madison Hotel. 27 E. 27th St. Tel.: (212) 532-7373.

On Madison Park. Convenient to restaurants, shops and offices in the Flatiron and Chelsea areas (photographers, advertising agencies and publishers). Low prices (to $60 for a double).

Manhattan East Suite Hotels – Surrey Hotel. 20 E. 76th St., between Madison and Fifth Avenues. Tel.: (212) 288-3700.

In a stately Upper East Side mansion. All rooms are suites and include studios, one-bedrooms and two-bedrooms, all with full kitchens or kitchenettes and living rooms. Lobby, concierge, fitness center. The four-star restaurant Daniel (run by chef Daniel Boulud) provides room service. Convenient to museums, art galleries and Madison Avenue shops.

The Mayflower Hotel. 15 Central Park West at 61st St. Tel.: (212) 265-0060.

Located on Central Park, one block from Lincoln Center and near Midtown on the West Side. The Conservatory Restaurant is popular with locals.

The Mayfair Hotel. 610 Park Avenue at 65th St. Tel.: (212) 288-0800.

Just bought by Colony Capital, a Los Angeles company, this small, European-style hotel has 201 rooms, 105 of them suites with fireplaces. Near art galleries and Madison Avenue shops, the hotel is perhaps most famous as the home of Le Cirque, one of the most acclaimed – and certainly one of the most exclusive – restaurants in New York City.

Macklowe Hotel. 145 W. 44th St., off Times Square. Tel.: (212) 768-4400.

This new hotel offers views of the New York skyline. Near the Fashion District and Javits Convention Center. Fitness center.

The New York Hilton and Towers. 1335 Sixth Ave. at 54th St. Tel.: (212) 586-7000.

In Rockefeller Center, one of New York's largest hotels. Garage, complete facilities and restaurants. Site of many conventions. Staff speaks 30 languages.

The Pierre. Fifth Ave. and 61st St. Tel.: (212) 838-8000.

Now a Four Seasons hotel, The Pierre has been synonymous with luxury for generations of New Yorkers. Facing Central Park, the Pierre straddles the skyscraper offices of Midtown and the apartment buildings of the Upper East Side. Recent renovations have enhanced the famous decor without losing any of the original ambience. A wide range of rooms is available, including royal suites – used by real royalty.

Ramada Milford Plaza. 270 W. 45th St. at Broadway. Tel.: (212) 869-3600.

In the heart of the Broadway theater district, with easy access to the Javits Convention Center. Offers 1,300 rooms, fitness center and several restaurants.

Rihga Royal Hotel. 151 W. 54th St, between Sixth and Seventh Avenues. Tel.: (212) 307-5000.

This 54-floor tower has become a favorite with the corporate elite. Large suites are available, including "grand royal suites" (dining room, kitchen, fax machine, sauna, business cards, etc.). Several restaurants, complete facilities.

Salisbury Hotel. 123 W. 57th St. Tel.: (212) 246-1300.

Grand, Gothic-revival building on "Tourist Row," on the same block as Carnegie Hall, Hard Rock Cafe, Planet Hollywood and the Motown Cafe. 320 rooms. Reasonable rates, beginning at $149, including continental breakfast.

PERFORMING ARTS: DANCE, MUSIC AND THE LATEST ON BROADWAY

A sampling of the hottest shows in town.

Broadway is synonymous with American theater, but a great deal is going on elsewhere in New York as well. For tickets to Broadway shows, the League of American Theaters and Producers offers "The Broadway Line," a telephone information and ordering service. By dialing 563-BWAY (2929), theatergoers get recorded descriptions and the latest news about Broadway, and they can order tickets. The service even provides sample music from current and upcoming shows. Tickets are sent ahead of time or will be waiting at the box office.

The TKTS booths offer half-price tickets to Broadway shows on the day of performance, when available. The booth at 47th Street and Broadway is in the heart of the Theater District and is heavily used in the summer, so if you're downtown, visit the booth at 2 World Trade Center for a better selection. Also, if the ticket you desire is not available, you can try again immediately before the performance at 47th Street: Theaters often send unsold tickets to the booth just before showtime.

Premiere Ticket Service is a licensed and bonded private ticket broker. To obtain tickets from anywhere in the world, fax information to (201) 461-8821. Tickets can be delivered to any New York address, hotel or residence. Tickets are also available to sports events, including hard-to-get seats at the U.S. Tennis Open, held from Aug. 26 to Sept. 8 at the National Tennis Center in Queens.



VAN HASSELT/SYGMA

The long-running "Cats" is still a favorite on Broadway.

What's hot on Broadway

"Rent" recently supplanted "Sunset Boulevard" as the hottest ticket in town. The updated version of "La Bohème" may not be to everyone's liking, however – it is loud and deals frankly with sex, drugs and AIDS. "Bring in 'Da Noise, Bring in 'Da Funk" features the sensational dancing of young Savion Glover in a musical history of the black experience in the United States. In the revival of Stephen Sondheim's "A Funny Thing Happened on the Way to the Forum," Nathan Lane inhabits the role Zero Mostel made his own. As long as Julie Andrews stars, "Victor/Victoria" will remain a hot ticket.

Children will love the theatrical version of the Disney cartoon "Beauty and the Beast" and the perennial "Cats." Children and adults are enchanted by "The King and I," the most sumptuous show on Broadway.

Lincoln Center

Offered this year for the first time, the Lincoln Center Festival brings together all of the performing arts, from Japanese court *gagaku* music to Beethoven's "Fidelio." The festival is the brainchild of John Rockwell, a former critic of The New York Times and champion of new music. The festival will run from July 22 to Aug. 11. Among its many offerings are jazz, ballet, theater (featuring the complete theater works of Samuel Beckett), black gospel and soul music, contemporary and classical chamber and orchestral music, and a rare performance of the Virgil Thomson-Gertrude Stein seminal folk opera "Four Saints in Three Acts." For information, call (212) 875-5030; tickets can be charged to American Express and ordered via fax at (212) 875-5027.

The other big event at Lincoln Center is the Mostly Mozart Festival, which celebrates its 30th year July 9-20 and Aug. 12-24. The festival always highlights the most important performers in classical music. This year, Itzhak Perlman, Pinchas Zukerman, Alicia De Larrocha, Andre Previn, James Galway, Gil Shaham and June Anderson are among the notables.

On Wednesday through Saturday from 8:15 P.M. to 11 P.M., there is outdoor ballroom dancing at the Lincoln Center Fountain. This is one of the most popular – and romantic – events in the city and draws dancers from a surprisingly wide variety of ages and backgrounds.

Other events

Off-Broadway has become the prime source of material for Broadway. Intrepid theatergoers can take advantage of lower ticket prices to enjoy well-known playwrights and actors in a more intimate setting. Be warned: Shows open and close more swiftly than on Broadway, so consult a local guide before deciding on tickets, except for long-running shows like "Tubes," "Stomp" and "Tony n' Tina's Wedding." The latter has spawned a whole genre of audience-participation plays that offer dinner as part of the show. "The Fantasticks," the longest-running musical in the world, is still charming new generations of theatergoers.

Although not theater per se, the Sony Imax (68th Street and Broadway) offers a unique experience – a total environment of sight and sound, similar to the old Cinerama experience but even more involving, thanks to modern technology. Since it opened, a steady stream of top entertainment executives have made a pilgrimage to witness the effect. Playing through the summer is an Imax version of the latest Rolling Stones tour.

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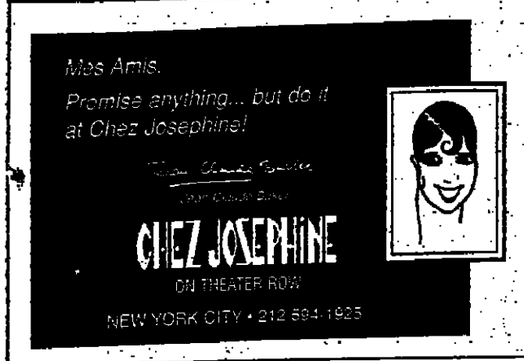
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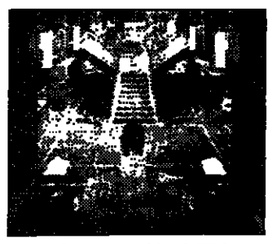
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Herald International Tribune
SPORTS
SATURDAY-SUNDAY, JUNE 15-16, 1996

WORLD ROUNDUP

Blades Is Convicted

FOOTBALL Brian Blades, a wide receiver for the Seattle Seahawks, was convicted Friday on manslaughter charges in the shooting death last July of his cousin, Charles Blades.

Blades, 30, showed no emotion as the verdict of the six-member jury was announced. The panel deliberated for about seven hours over two days. Blades faces up to 10 years in prison. Circuit Judge Susan Lebow deferred setting a sentencing date pending a hearing on Monday for post-trial motions, and she allowed Blades to remain free on a $10,000 bond.

Prosecutors had contended that Brian Blades was criminally negligent last July 5 when his gun fired during a scuffle with his cousin. Charles Blades was trying to stop an argument between Brian and his brother, Bennie, a safety for the Detroit Lions. The defense argued that the shooting was simply a tragic accident. *(AP)*

Muster and Becker Win

TENNIS Thomas Muster, playing some of the best grass-court tennis of his career, rallied to beat Mark Woodforde in three sets on Friday to reach the semifinals of the Queen's Club tournament in London. The top-seeded Austrian won only one game in the first set but lifted his game in the second and third to overcome the ninth-seeded Australian, 1-6, 7-5, 6-3.

Also advancing was No. 2 Boris Becker, who reached his sixth Queen's semifinal in 11 years by downing Patrick Rafter of Australia, 7-5, 6-4.

• Top-seeded Carlos Moya of Spain bounced back from patchy play in the first two rounds to defeat Johan Van Herck of Belgium on Friday in the quarterfinals of the Maia Open-Oporto Cup. Moya, a new sensation on the European clay-court circuit, beat Van Herck in straight sets, 6-1, 6-2. *(AP)*

Czechs Stun Italy, 2-1

Turkey Is Eliminated by Portugal

The Associated Press

LIVERPOOL — The Czech Republic registered the first big upset of the European Championships on Friday, holding on for a 2-1 victory over heavily favored Italy.

Italy played with just 10 men after the 29th minute, when centerback Luigi Apolloni was expelled for a second yellow card with the score tied at 1-1. The Czechs exploited the weaknesses in the short-handed Italian defense, and Radek Bejbl kicked what proved to be the winning goal 10 minutes before halftime.

After Italy's goalkeeper, Angelo Peruzzi, had made two stunning saves to prevent the Czechs from making it three, substitute Pierluigi Casiraghi had an excellent chance to score the equalizer in the third minute of injury time. But he shot over the top from 10 yards (3 meters) after being put into the clear by Gianfranco Zola.

UEFA EURO 96 England

Despite a 2-1 victory over Russia, Italy's coach, Arrigo Sacchi, made five changes and fielded an entirely new strike force, Fabrizio Ravanelli and Enrico Chiesa, in place of Zola and Casiraghi.

Chiesa tested the Czech goalkeeper, Petr Kouba, with a fierce-angled shot in the third minute but, 60 seconds later, he was kicking off again after the Czechs stunned the Italians with a goal.

Karel Poborsky fired over a hopeful centering kick from the right, and the Italians were slow to react as the ball reached overlapping defender Pavel Nedved on the left. Nedved held off Roberto Mussi and fired past goalkeeper Peruzzi from eight yards.

Apolloni received his first yellow card for a high boot, but the Italians leveled in the 17th minute after a fast break from defense.

After the lively Podborsky had caused more problems for Italy's defense, the ball broke kindly to the Italians, and they took full advantage with a speedy break down the right wing.

Chiesa swapped passes with Diego Fuser and just got to his center in front of two Czech defenders and the goalkeeper, Kouba, to turn the ball home from 10 yards.

The Czechs were unlucky not to regain the lead when another slick ball from Podborsky found Nedved again behind the Italian defense, but this time the goal scorer stumbled and the chance was lost.

In the 29th minute, it all went wrong for an already pressured Italian defense when Apolloni was sent off. The referee, Antonio Lopez Nieto of Spain, had already noted his tackle from behind on Pavel Kuka, but let play go on until the move broke down. Then he walked over to the Italian defender and showed him the red card.

The shorthanded Italians put huge pressure on the Czechs in the opening minutes of the second half and came close to making it 2-2 in the 56th minute.

Ravanelli wriggled through three tackles, including one while he was on the ground, and set up a chance for Chiesa, whose first-time drive from 15 yards was clutched by the diving Kouba. Sacchi sent on Casiraghi, the two-goal hero of the Russia victory, in place of Ravanelli in the 57th minute, and another chance came nine minutes later after the Czechs conceded a corner.

Casiraghi helped the flag-kick on, and Maldini arrived at the far post to stretch his leg, but volleyed too high.

Portugal 1, Turkey 0 In Nottingham, relentless offense finally paid off for Portugal on Friday, if just barely, with a 1-0 victory over Turkey that brought the quarterfinals closer and sent one of the tournament underdogs home.

Despite its flair and skills, Portugal still needed more than an hour and a fluke deflection in the Turkish defense to allow Fernando Couto a free shot on goal. His fierce left-footer from 18 yards provided the game's only tally.

We didn't meet all the expectations," admitted the Portuguese coach, Antonio Oliveira. "They were tough to play."

The turning point in the 65th minute was too much for the Turks, who after all their staunch defending and hard work could not pick up the pieces, or the pace, to turn their luck around.

Combined with a heartbreakingly late loss to Croatia, Turkey was sent packing with the knowledge that a lack of finishing skills could not be compensated for by relentless work and heart. Its first international competition in 42 years proved short-lived.

"We showed the world that Turkey is not scared and can play with the best," said the team's coach, Fatih Terim, after Turkey's second straight 1-0 loss.

Some soccer pundits said Friday that while Portugal's reputation for staging a show of great skill survived unscathed, its insufficiently tough defense would be punished by better teams.

"We will have to look at everything to improve," Oliveira said.

After the game, Portugal led Group D with four points, ahead of Croatia with three and Denmark with one. Turkey had none. Croatia plays Denmark on Sunday to complete the second game.

Portugal tried to play open, flowing offense, and Rui Costa showed signs of brilliance with weaving runs and great passes. But the flashes yielded too little.

And Turkey could have punished Portugal early on. The team was widely considered unlucky not to get a penalty early in the first half when Couto floored Sancakli Saffet during his rush on goal as he chased a deep ball.

In the 26th minute, it was Saffet once more who weaved his way through two Portuguese defenders before falling. But again, the referee, Sandor Puhl of Hungary, did not whistle.

"It doesn't really help to criticize the referee — it doesn't change the score," Terim said.

While the final score did not reward Turkey's valiant play against the favorites, it showed that Portugal still lacked the scoring punch to match its stifling defense.

That could not have been made clearer when Saffet put Hakan Sukur through in the 33d minute. The star striker totally miscued his shot from eight yards out.

Saffet exposed Portugal's shaky defense time and again. In the eighth minute, he swerved out to the right and his angled shot shaved the face of the goal.

A barrage of five shots on goal followed in just 10 minutes as the Portuguese defense was disorganized and often caught flat.



Lynne Sladky/The Associated Press

Antonio Folha of Portugal, left, and Ozalan Alpay of Turkey fighting for the ball during Friday's match.

England and Scotland to Meet for Bragging Rights, and Then Some

International Herald Tribune

BISHAM, England — Scotland will play England on Saturday for the first time in seven years, and the hype has approached American standards. Most of the island has been rubbing its hands together since the European Championship match was allotted six months ago — as if, finally, the rest of the world was going to see what a real game of soccer was all about.

The hype reminded a Dutch journalist on Friday of the games his country had played against Germany in recent years. "I think this will be bigger," responded Alan Shearer, the England striker.

Bigger, questionably; but better? The Dutch and Germans contend for a major championship every second year. England hasn't come near that level since 1990. It failed to qualify for the last World Cup, and, last weekend, satisfied its inferiority complex with a disappointing, enervating 1-1 draw at home to Switzerland. Scotland, having reached its second European finals, survived a scoreless, opening draw with the Netherlands on Monday like a climber holding on beneath a rockslide.

Scotland against England, a scoreless draw played at Glasgow on November 30, 1872, was the first international soccer match. The rest of the world has since passed those players by — if not in terms of heart, then surely in tactics and technique.

The unspoken British hope for Saturday's match is that the heart will overwhelm all else — that the passion and high-geared pace of the game, if it reaches such a frenzy, will put into perspective the criticisms that Britain plays to a backward, unsophisticated style.

Ruud Gullit, who won the 1988 European Championship with the Netherlands, predicted that the game need not be an anachronism amid the continental elegance. Gullit is a player-manager with Chelsea in the English Premiership, which is probably the most exciting league in the world in a swashbuckling sort of way. If Scotland and England — especially England — would forget about trying to live up to European standards and just play the way they know best, comfortably and exuberantly, the game might launch them for the rest of the tournament (for however long that might be).

Vantage Point / IAN THOMSEN

Shearer predicted an intense opening quarter — more physical, probably, than the coy, tactical starts of other matches in this tournament. "In other internationals, you tend to keep the ball a lot more," he said. "It's going to be important for us to stamp our authority on the game in the first 20 minutes."

If England fails to win, then a victory will be required against the Netherlands, which is the Group A leader, on Tuesday, to avoid becoming the first host ever to be knocked out in the opening round.

A mere draw would make the Scots happy: They would have a solid chance of advancing to the quarterfinals by beating Switzerland on Tuesday and, more important to their countrymen, would have humiliated the English.

Everyone seems to agree that a victory in this game would be worth as much to Scotland as winning the tournament overall would be for England.

England leads the rivalry, 43-40, with 24 draws. The neighbors met annually in the spring until 1989, when the games were no longer worth the surrounding crowd troubles — most notoriously witnessed in 1977 when Scottish fans tore up the Wembley pitch after a 2-1 victory. Security will be high on Saturday, obviously. Scotland was only allotted 7,000 tickets, but Sir Bobby Charlton, the former England striker, predicted that half the 76,000 at Wembley would be filled by Scots.

FOURTEEN of them will be relatives of the England midfielder, Steve Stone. "They will all be supporting Scotland, but my grandmother will be supporting me," said Stone, 24. "It definitely has given me an extra edge to do well because all of my relatives have been calling my Mum — I won't give them my phone number — telling my Mum how Scotland is going to win."

The England strikers, Shearer and Teddy Sheringham, will be marked by teammates of their English clubs. Colin Hendry plays with Shearer at Blackburn, and Colin Calderwood knows Sheringham from Tottenham. It appears that Scotland will start Ally McCoist, the 33-year-old striker, which will reunite him against his teammate from Glasgow Rangers, Paul Gascoigne.

Gascoigne had to be substituted out last weekend after running himself to exhaustion, a weakness shared by several teammates. The British press has clobbered him and others for their recent drinking bouts, and England's coach, Terry Venables, responded to some journalists by calling them "traitors."

But that fever had broken by Friday. No one was yelling any more and everyone seemed united around the cause of Saturday's game. The most influential player figured to be the 29-year-old Gascoigne, for better or worse.

He was Scottish Footballer of the Year with Rangers, representing a comeback from injuries and three difficult years in Italy. He is the face of British soccer, the best it's got, but perhaps not quite good enough any more. On Friday, he was seen sprinting out of the training ground before the cameras could have a last, good look at him.



John Rudoff/Agence France-Presse

Greg Norman watching his putt on the sixth hole Friday at the U.S. Open.

Norman Fights Into Contention With a 4-Under 66

The Associated Press

BLOOMFIELD HILLS, Michigan — Greg Norman fought back into contention at the U.S. Open on Friday with a 4-under-par round of 66.

Norman holed out from 140 yards (127 meters) for an eagle on the 403-yard 16th hole, then saved par with an 8-foot putt on the treacherous par-3 17th.

He two-putted up the ridge on the 18th green to finish at 1-under 139, just two strokes back of first-round leaders Payne Stewart and Woody Austin, who shot 67s on Thursday.

"It was a carbon copy of yesterday's round, but I holed a shot and made a few putts," Norman said. "Nothing spectacular, just a lot of patient golf."

Norman said he figured 1-under or even-par through two rounds "would put me in good stead."

The way it was going Friday, that might even be good enough to lead at the halfway point of the 96th U.S. Open.

"If conditions stay exactly the same, a few under par will win," said Davis Love 3d, who shot a 69 on Friday to get to even-par 140. "If it gets a little harder, par will be a good score. I would say the greens are maybe 10 inches to a foot faster."

As Norman was signing his scorecard, Stewart was headed for the first tee.

THE U.S. OPEN

What awaited him were greens that were beginning to dry under a blazing sun and a menacing rough.

Stewart got out to 5-under with birdies at the fifth and seventh holes until he gave one back with a bogey on the eighth hole. Austin, who teed off an hour later, dropped a stroke and was at 2-under through five holes.

Neal Lancaster had the most unusual round of the day. He tied his own U.S. Open record, which he set last year, with a 29 on the back nine. He shot a 67 for a 1-over 141.

Norman hasn't played as well as he did the first three rounds of the Masters. His iron shots haven't been as crisp, his ball-striking not as pure.

But he was good enough to hang around Friday with a two-putt birdie on the par-5 second hole and another birdie at seven to offset his lone bogey.

He crept even closer to the leaders with a 7-foot birdie putt on 13, then caused a thunderous roar at 16, the hole where Tiger Woods came undone on Thursday with an 8.

Norman's 8-iron landed near the fringe about 10 feet above the flagstick and spun back into the hole. All of a sudden, he had more bounce in his step than he has had all week.

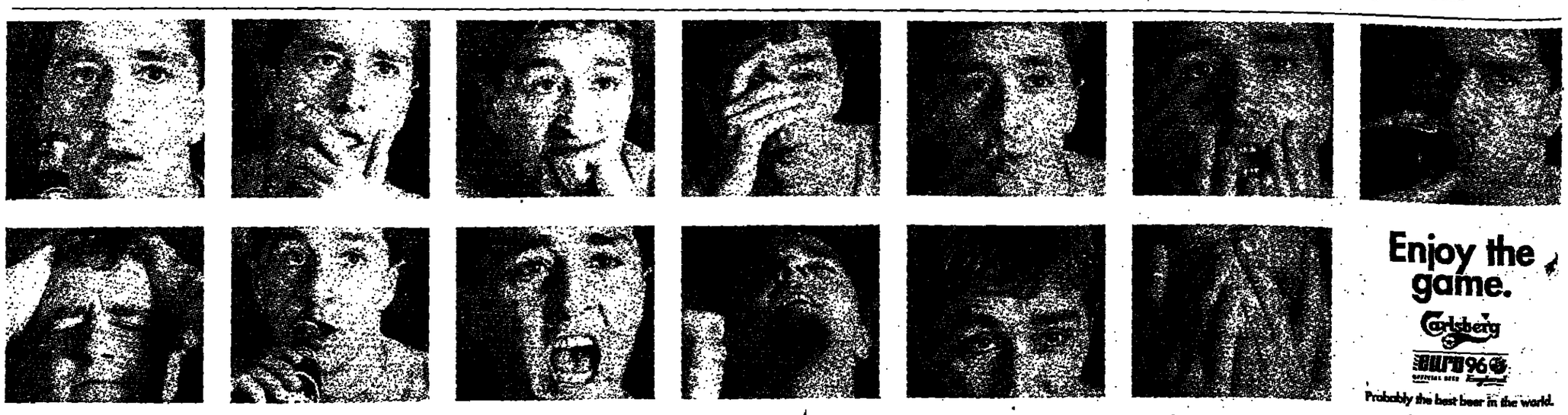
"It did a lot for my morale," said Norman, who was fighting a virus earlier this week. "I saw the shot, I felt the shot, I knew where I wanted to land it."

There were several good starts Friday, but hardly anyone could make it through without some trouble. Bill Murchison, for example, threatened the course record of 65. He was 5-under through 15 holes, then bogeyed the last three for a 68, putting him at 4-over 144.

Frank Nobilo, who started the second round at 1-under, birdied the first two holes to tie for the lead. On the par-4 fourth hole, he left his approach in a bunker, then three-putted from 25 feet for double bogey. He wound up with a 71 and was tied with Love at 140.

John Morse started the round at 2-under. He birdied the second hole to share the lead at 3-under, then gave strokes back with bogeys at the fifth and 10th.

Paul Azinger, in his best showing at a major championship since being treated for cancer in November 1993 — the year he won the PGA Championship — got to 2-under before his short-game magic began to run out.



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SPORTS

Bulls' True Hero Is Short and Fat

General Manager Krause Designed Powerful Team

By Mike Wise
New York Times Service

SEATTLE — It is different now. While dining in Chicago, people often walk by his table and say, "Thank you for putting this team together." Jerry Krause peers into their eyes for traces of facetiousness and, realizing the contrary, politely answers, "You're welcome."

Asked if he would finally give his general manager some credit for this season, Michael Jordan said with a conniving grin earlier this week: "As much as it pains me to say it, yes, I have to give Jerry his due. He's taken a lot of chances that a lot of other people wouldn't have. Sadly, I must give him his due."

As the Bulls and Sonics entered Game 5 of the National Basketball Association finals in Seattle Friday night, one-liners poking fun at Chicago's portly, diminutive general manager seemed rarer than ever. Not about his waistline, his wardrobe or his horrible spring allergies that often elicit an annoying cough and send him scurrying for nasal spray. Where once nothing about his personal appearance or health was sacred, it is now time to kiss and make up.

"OK, all right, Jerry finally deserves credit," Scottie Pippen said. "As much as it hurts, I'm giving it to him. Why don't I give him more? Because it'll make his head grow."

Krause will tell you he is the only GM to ever build a championship team around a shooting guard, conveniently mentioning that Oscar Robertson never won before Lew Alcindor came to Milwaukee.

He will expound on how he traded up in the draft to get Pippen, how he never gave up on bringing Toni Kukoc to America and how nobody in the league wanted some of the guys on his bench.

"I got an ego like anybody else's," he said. "I've been in this business 30 years now. People forget that."

In that time, Krause, 57, has infuriated agents, some of whose clients he thinks are overrated; alienated people in the news media by fibbing or telling them nothing, and had Jordan himself calling for his head. "I was told not to hire him by someone pretty high up in the league after I did," recalled Jerry Reinsdorf, the Bulls' owner and Krause's longtime friend. "The thinking was you had to be good-looking, speak well, socialize with other people in the league and be a former player to be a successful GM in this league. Well, guess what? You don't have to be Jerry West to put a great team together."

If anything, Krause is the anti-West, waddling around like a ragamuffin, a guy with a tip sheet in his hand at the track, cocksure that you could never know as much as he does about some 6-foot-6-inch pure shooter now playing in Venezuela for airfare and hotel.

This, of course, is the same man who turned a team that won three straight titles upside down since 1993. Only Jordan and Pippen remain from those Bulls. Everyone else Krause went out and got, with help from Reinsdorf.

"Jud Buechler, Steve Kerr, Bill Wennington, nobody wanted them," Reinsdorf said. "Jerry saw something there, pieces that would fit."

Seventy-two regular season victories. A 14-2 post-season. And no one requesting more shots or a trade. The pieces fit, even the edgy fellow with the fuchsia hair and ink-blot torso.

Dennis Rodman was not the type of player Krause would ever pursue, but the Bulls scout Jimmy Stack would not let him give up on the league's rebounding and alternative-culture king.

Krause, an old baseball scout who once worked for Bill Veeck and had acquired a knack for hunches, finally took the idea of acquiring Rodman seriously. He went to his file cabinet and pulled out the same kind of 8½-by-11-inch pad he has used to compile notes on every prospect he has ever scouted — from Tony Kubec to Toni Kukoc.

"We decided that Dennis wasn't the person we thought he was, and there was enough evidence there to support that," Krause said. Rodman came over to Krause's house during the recruiting visit and then spent time with Bulls Coach Phil Jackson. "We called Michael and Scottie and said we want to talk to you guys before we made the decision. They OK'd it. It was a huge gamble, but we needed to take it."

The disdain many in Chicago have felt for Krause over time was fostered by early incidents involving disagreements with Jordan about whom the team should acquire in the 1980s. And there were the several tales of Krause's heartless behavior that have been dramatized.

One such incident involves Chet (The Jet) Walker, the Hall of Fame Bull who showed up at the door of the team's suite in Los Angeles after the Bulls won their first title. Krause, told by Reinsdorf to keep everybody not associated with the club out, turned Walker and four friends away. "I left a message on Chet's answering machine that night, realizing I had made a mistake," Krause said.

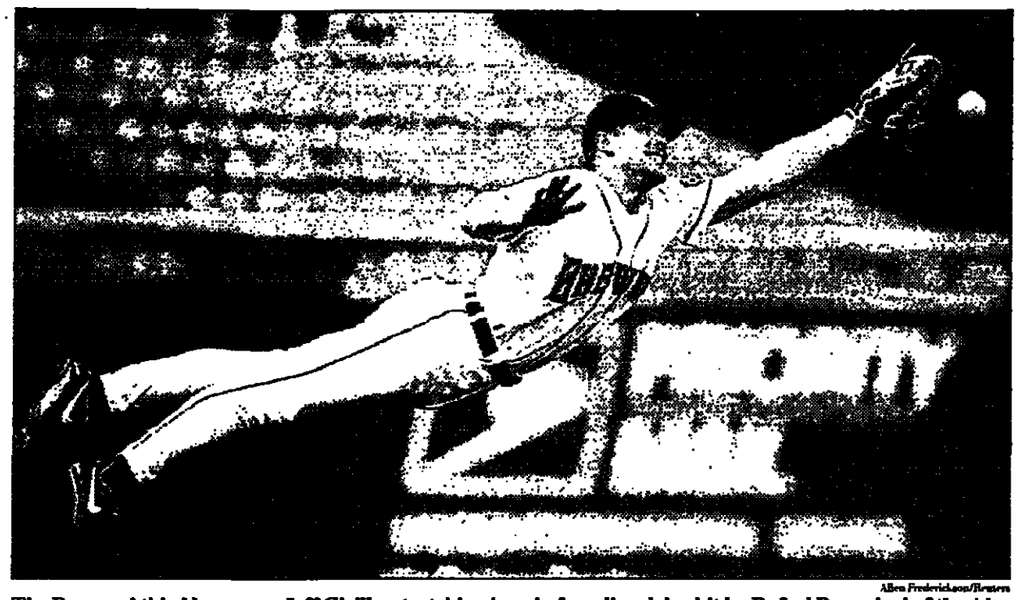
"Stories about me have become like old wives' tales, growing larger each time you tell them. Like the one about Michael calling me 'Crumbs' because he supposedly saw me eating a doughnut and there were crumbs on my shirt. He didn't give that nickname. Someone else on the team did."

For all the sharp barbs he exchanges with players and colleagues — "What did Casey Stengel say? 'My job as manager of the Yankees is to keep the five guys who I know hate me away from the five guys that ain't sure.' I firmly believe in that" — Krause has been steadfastly loyal.

He quit the Hall of Fame voting committee because the longtime Bulls assistant Tex Winter wasn't on the ballot. When the former Bull Charles Oakley was traded to the New York Knicks, he cried. "People still rip me, that won't stop," Krause said.

"But it's not about my belly or my clothes so much anymore. I think one of the worst times was Michael's retirement. I got up on the platform and got booed. My wife started crying. That bothered me. It made me real angry. It's been a long time since that happened."

They are thanking him now, for Randy Brown and Ron Harper and all the other pieces. "Go ahead," Jordan said, "give him his due. He took the chances and they all paid off."



Allen Fredrickson/Reuters

The Brewers' third baseman, Jeff Cirillo, stretching in vain for a line drive hit by Rafael Bournigal of the A's.

Bonds' 4 Hits Lift Giants Over Astros

The Associated Press

Barry Bonds got four hits, including his first home run in over a month, and the San Francisco Giants scored six runs in the first inning Thursday night to beat the Houston Astros, 12-8.

San Francisco, leading 9-0 after the second inning, had to withstand a six-run fifth by the Astros that included a pinch-hit grand slam by Sean Berry. Bonds' homer, a two-run shot, came in the eighth off Dean Hartgraves and was his first since May 11.

Marlins 4, Pirates 3 Devon White's two-run single in the ninth capped Florida's late comeback and stopped the Pirates' five-game winning streak. Kurt Abbott, who went 3-for-4 after being recalled from the minors earlier in the day, doubled and scored on White's single in the eighth, then singled during the Marlins' two-run ninth. Francisco Cordova gave up two runs on three hits.

Yorkis Perez (2-1) pitched 1⅓ innings for the victory, and Robb Nen finished for his 13th save.

Dodgers 6, Braves 3 Roger Cedeno hit his first career homer, a three-run shot in the seventh inning, as Los Angeles rallied for the victory. It was the Braves' fifth defeat in seven games, their worst slide since losing six of eight in April.

Mets 2, Cardinals 1 Robert Person, called up from the minors earlier in the day, allowed three hits over seven innings and New York got home runs from Todd Hundley and Jeff Kent on consecutive at-bats. The Mets have won five of seven, while the Cardinals have lost four of five and fell to 13-15 at home.

Rockies 4, Phillies 1 John Vander Wal hit a two-run homer and drove in three runs and Bryan Rekar (2-2) continued his mastery of Philadelphia.

Cubs 6, Padres 3 Chicago's Terry Shumpert hit a three-run homer in the 14th inning as San Diego lost its seventh straight. Doug Jones (2-2) pitched two scoreless innings to get the victory.

In American League games:

Royals 10, Orioles 2 Craig Paquette had four RBIs and Doug Linton pitched two-hit ball. The game also featured Cal Ripken's tying of a world record by playing in his 2,215th consecutive major-league game. He was set to break the mark, held by Sachio Kinugasa of the Japanese leagues, on Friday night.

Indians 6, Yankees 2 Orel Hershiser and two relievers combined on a five-hitter and Eddie Murray drove in three runs to lead Cleveland over New York.

Red Sox 8, Rangers 7 Alex Delgado singled home the winning run in the 10th inning with his second major-league hit.

Brewers 16, Athletics 3 John Jaha hit two homers, including a shot that nearly cleared the County Stadium bleachers, as Milwaukee routed Oakland.

Angels 6, Blue Jays 4 Damion Easley, Garret Anderson and Tim Salmon homered to give California its fifth straight victory.

Baseball Roundup

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION	W	L	Pct.	GB
New York	36	26	.581	—
Baltimore	34	28	.548	2
Boston	27	37	.422	10
Toronto	27	38	.415	10½
Detroit	16	49	.246	21½
CENTRAL DIVISION				
Cleveland	42	22	.656	—
Chicago	40	23	.635	1½
Minnesota	31	32	.492	10½
Milwaukee	30	33	.476	11½
Kansas City	29	37	.439	14
WEST DIVISION				
Texas	40	25	.615	—
Seattle	34	29	.540	5
California	32	32	.500	7½
Oakland	29	36	.446	11

NATIONAL LEAGUE

EAST DIVISION	W	L	Pct.	GB
Atlanta	40	24	.625	—
Montreal	36	28	.563	4
Florida	32	33	.492	8½
New York	29	35	.453	11
Philadelphia	29	35	.453	11
CENTRAL DIVISION				
Houston	33	34	.493	—
St. Louis	30	34	.469	1½
Chicago	30	35	.462	2
Pittsburgh	30	35	.462	2
Cincinnati	25	32	.431	3½
WEST DIVISION				
San Diego	36	30	.545	—
Los Angeles	35	31	.530	1
Colorado	32	31	.508	2½
San Francisco	32	31	.508	2½

THURSDAY'S LINE SCORES

AMERICAN LEAGUE

Baltimore 001 000 001—2 3 0
Kansas City 410 030 02x—10 14 0
Mercker, Haynes (3) and Zaun; Linton, Magnante (7), Pugh (7) and Fasano. W—Linton, 2-2. L—Mercker, 3-5. HRs—Baltimore, Ty.Anderson (2), RJ. Palmeiro (15). Kansas City, Paquette (7), K. Young (1).

Cleveland 000 001 220—4 12 1
New York 000 000 020—2 5 2
Hershiser, Assenmacher (8), Shuey (8) and S. Alomar; Rogers, J.Nelson (8), Howe (9), Mecir (9) and Girardi. W—Hershiser, 6-4. L—Rogers, 4-3. Sv—Shuey (1). HR—Cleveland, Murray (7).

Oakland 020 001 000—3 12 1
Milwaukee 200 034 30x—16 19 0
Wojciechowski, Van Poppel (5), Reyes (6) and Steinbach; Go.Williams, Karl, J. Mercedes (8) and Matheny; Levis (9). W—Karl, 6-3. L—Wojciechowski, 5-4. HRs—Milwaukee, Jaha 2 (9), Nilsson (8).

Texas 000 110 112 1—7 14 1
Boston 000 102 012 3—8 15 0
(10 innings)
D.Oliver, Brandenburg (6), Vosberg (6), S. Diego 000 200 100 000 00—3 12 0
Chicago 200 000 010 000 03—6 9 0
(14 innings)
Hamilton, S. Sanders (9), Hoffman (9), Berumen (12), Blair (13) and Ausmus; B. Johnson (12); Telemaco, Bullinger (7), T. Adams (8), B.Patterson (10), Wendell (11). D. Jones (13) and Servais. W—D. Jones, 2-2. L—Blair, 0-4. HRs—San Diego, T. Gwynn (2). Chicago, Shumpert (1).

Philadelphia 000 100 000—1 4 1
Colorado 200 100 01x—4 9 1
Schilling, K. Ryan (8) and Santiago; Reker, B. Ruffin (9) and Je.Reed. W—Reker, 2-2. L—Schilling, 2-1. Sv—B. Ruffin (10). HR—Colorado, VanderWal (2).

NATIONAL LEAGUE

Houston 001 001 000—2 9 2
San Francisco 630 001 02x—12 16 1
Kile, W. Wagner (2), X. Hernandez (5), Harkgraves (7) and R.Wilkins; M.Leiter, Dewey (6), DeLucia (8), Beck (9) and Manwaring. W—M. Leiter, 4-5. L—Kile, 6-5. HRs—Houston, Berry (8). San Francisco, Bonds (16).

Florida 000 100 012—4 11 0
Pittsburgh 000 100 200—3 7 1
Weathers, Powell (7), Y. Perez (7), Nen (9) and C. Johnson; Nolasco (8), Z.Smith, M. Wilkins (8), Cordova (9) and Kendall. W—Y. Perez, 2-1. L—Cordova, 2-3. Sv—Nen (13). HR—Florida, Sheffield (19).

Los Angeles 000 003 300—6 10 1
Atlanta 101 010 000—3 9 0
L.Valdes, Osuna (7), Radinsky (8), Td.Worrell (9) and Prince; Glavine, Clontz (7), McMichael (8), Wade (9) and J. Lopez. W—L. Valdes, 7-4. L—Glavine, 7-4. Sv—Td.Worrell (18). HRs—Los Angeles, R. Cedeno (1). Atlanta, Lemke (4).

New York 000 000 200—2 8 0
St. Louis 000 000 010—1 6 1
Pacon, Mlicki (8), D. Henry (8) and Hundley; An.Benes, Bailey (8), Fossas (9), Eckersley (9) and Pagnozzi, Sheaffer (9). W—Pacon, 1-1. L—An.Benes, 3-8. Sv—D. Henry (4). HRs—New York, Hundley (17), Kent (6).

Japanese Baseball

CENTRAL LEAGUE

	W	L	T	Pct.	GB
Hiroshima	33	22	—	.600	—
Chunichi	30	23	—	.566	2
Yomiuri	28	27	—	.509	5
Yakult	28	27	—	.509	5
Yokohama	26	30	—	.464	7½
Hanshin	20	36	—	.357	13½

FRIDAY'S RESULTS

Hanshin 2, Yomiuri 1
Hiroshima 5, Chunichi 4
Yokohama vs. Yakult, rained out

PACIFIC LEAGUE

	W	L	T	Pct.	GB
Nippon Ham	32	24	2	.571	—
Orix	31	25	1	.554	1
Kintetsu	30	27	0	.526	2½
Lotte	27	30	2	.474	5½
Seibu	26	29	2	.473	5½
Daiei	22	33	1	.400	9½

FRIDAY'S RESULTS

Nippon Ham 6, Kintetsu 1
Daiei 5, Seibu 4

SOCCER

European Championship

FIRST ROUND RESULTS

Netherlands 2, Switzerland 0
Scorers: Jordi Cruyff (66), Dennis Bergkamp (79)

GROUP A STANDINGS

	W	L	T	GF	GA	Pts.
Netherlands	1	0	1	2	0	4
England	0	0	1	1	1	1
Scotland	0	0	1	0	0	1
Switzerland	0	1	1	1	3	1

TENNIS

Queen's Tournament

MEN'S SINGLES

QUARTERFINALS

Thomas Muster (1), Austria, def. Mark Woodforde (7), Australia, 1-6, 7-5, 6-3; Boris Becker (2), Germany, def. Patrick Rafter, Australia, 7-5, 6-4.

Oporto Cup

MEN'S SINGLES

QUARTERFINALS

Carlos Moya, Spain, def. Johan Van Herck, Belgium, 6-1, 6-2; Felix Mantilla, Spain, def. Tomas Carbonell (5), Spain, 7-6 (11-9), 6-3; Hernan Gumy (4), Argentina, def. Stefano Pescosolido, Italy, 6-4, 6-2; Cristian Ruud, Norway, def. Richard Fromberg, Australia, 6-2, 2-6, 6-4.

DFS Classic

WOMEN'S SINGLES

QUARTERFINALS

Brenda Schultz-McCarthy (1), Netherlands, def. Larisa Neiland, Latvia, 6-2, 7-6 (7-2); Nathalie Tauziat (2), France, def. Laurence Courtois (8), Belgium, 6-0, 6-2; Meredith McGrath (10), United States, def. Els Callens (15), Belgium, 6-3, 6-2; Miriam Oremans (9), Netherlands, def. Christina Singer (12), Germany, 6-4, 7-5.

RUGBY UNION

New Zealand Maori 28, Western Samoa 15

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

CALIFORNIA—Put OF Jim Edmonds on 15-day disabled list, retroactive to June 12. Recalled OF Darin Erstad from Vancouver, PCL.

KANSAS CITY—Recalled LHP Mike Magnante from Omaha, AA. Optioned RHP Jose Rosado to Omaha.

MILWAUKEE—Recalled RHP Jose Mercedes from New Orleans, AA. Sent LHP Kevin Wickander outright to New Orleans.

OAKLAND—Signed RHP Brad Blumenstock, IF Cody McKay; 1B Todd Mensik; RHP Doug Robertson; RHP Rick Lagottaka; RHP Flint Wallace; 1B T.R. Marcinczyk; RHP Peter Dellaratta and LHP Raymundo Noriega and assigned them to Southern Oregon, NL. Signed 1B Nicholas Sosa; RHP Eric Faulk; SS George Davis and RHP Bryan Garcia and assigned them to Scottsdale, AL.

TEXAS—Put 1B Will Clark on 15-day disabled list, retroactive to June 8. Activated INF Kurt Stillwell from 15-day disabled list.

NATIONAL LEAGUE

ATLANTA—Signed Bobby Cox, manager, to 2-year contract extension, through 1999. Activated 2B Mark Lemke from 15-day disabled list. Optioned INF Tony Graffanino to Richmond, IL. Acquired LHP Ray King from Cincinnati to complete earlier trade.

FLORIDA—Recalled INF Kurt Abbott from Charlotte, IL. Optioned INF Ralph Millard to Charlotte.

N.Y. METS—Recalled RHP Robert Person from Norfolk, IL. Designated LHP Bob MacDonald for assignment.

ST. LOUIS—Activated RHP Dennis Eckersley from 15-day disabled list. Designated C Pat Borders for assignment.

SAN FRANCISCO—Signed RHP Charles Cozart; RHP Robert Crabtree; RHP Luis Estrella; RHP Larry Jensen; RHP Brandon Leese; LHP Michael Riley; IF Art Baeza; 3B Paul Galloway; 3B Mike Glendenning; 1B Damon Minor; SS Jose Zuniga; OF Brian Manning; OF Liviu Miskolczi and OF Michael Sorrow and assigned them to Bellingham, NL.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

DENVER—Traded G Mahmoud Abdul-Rauf to Sacramento for G Sarunas Marciulionis and 1996 second-round draft pick (No. 37).

INDIANA—Traded G Mark Jackson, G Ricky Pierce and their 1996 first-round draft pick (No. 23) to Denver for G Jalen Rose, F Reggie Williams and their 1996 first-round draft pick (No. 10).

N.Y. KNICKS—Exercised their option for 19th pick of 1996 draft.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

ATLANTA—Re-signed LB Ron George, TE Mitch Lyons and CB Darnell Walker to 1-year contracts.

CHICAGO—Signed DT Paul Grasmanis to 3-year contract, and RB Michael Hicks to 2-year contract.

N.Y. GIANTS—Signed WR Lawrence Dawsey. Re-signed CB Willie Beamon and TE Brian Kozlowski.

PHILADELPHIA—Signed OG Jermane Mayberry to 5-year contract.

PITTSBURGH—Signed CB Willie Williams to 1-year contract.

SAN FRANCISCO—Signed RB Jamal Willis and TE Ted Popson to 1-year contracts.

SEATTLE—Signed S Robert Blackmon to 1-year contract.

HOCKEY

NATIONAL HOCKEY LEAGUE

BOSTON—Signed D Mattias Timander to 3-year contract.

DETROIT—Signed F Thomas Holmstrom to 2-year contract.

HARTFORD—Announced the resignation of Jim McCrossin, strength and conditioning coach.

LOS ANGELES—Named Rob Laird scout.

NEW JERSEY—Signed G Frederic Henry and C Jeff Williams.

N.Y. RANGERS—Agreed to terms with Neil Smith, president and general manager, on multiyear contract extension.

COLLEGE

ARMY—Named Bob Hutchings and Julie Diehl women's assistant basketball coaches.

CALIFORNIA, PA.—Named Bill Brown men's basketball coach.

LAMBERTH—Named Brad Jones men's basketball coach.

MAINE—Fired John Winkin, baseball coach.

MISSISSIPPI—Named Pat Harrison baseball coach.

NORTH ARIZONA—Announced resignation of Ron English, linebackers coach, to become assistant at San Diego State.

NORTHEASTERN—Named Rudy Keeling men's basketball coach.

RIO GRANDE—Announced that Sherron Wilkerson, basketball guard, has transferred from Indiana.

SOUTHERN CAL—Signed John Robinson, football coach, to 5-year contract.

IHT Puts Baseball Stats on the Internet

All the box scores and the 1996 schedule on the IHT web site:

http://www.iht.com/IHT/SPORTS/bbl.html

DENNIS THE MENACE



"MOM *FINALLY* FOUND A COOKBOOK THAT AGREES WITH ME."

PEANUTS



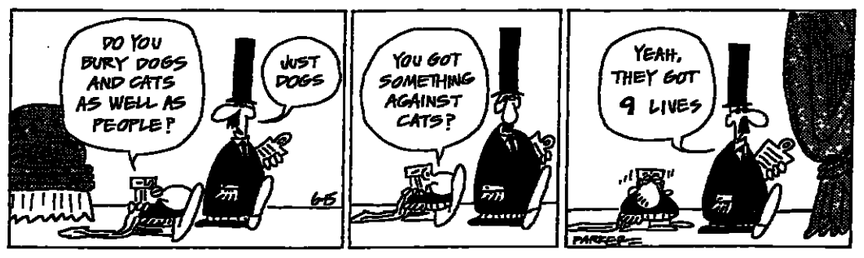
CALVIN AND HOBBES



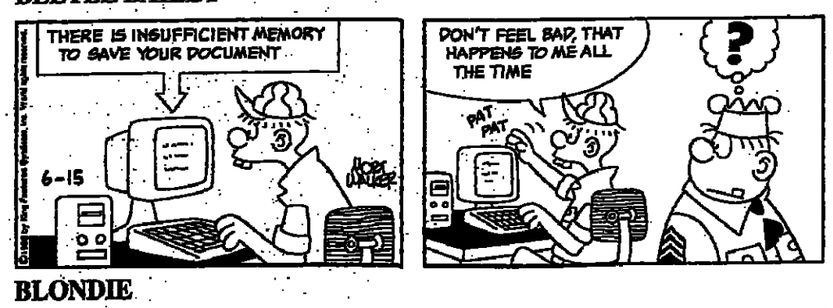
GARFIELD



WIZARD of ID



BEETLE BAILEY



THE FAR SIDE

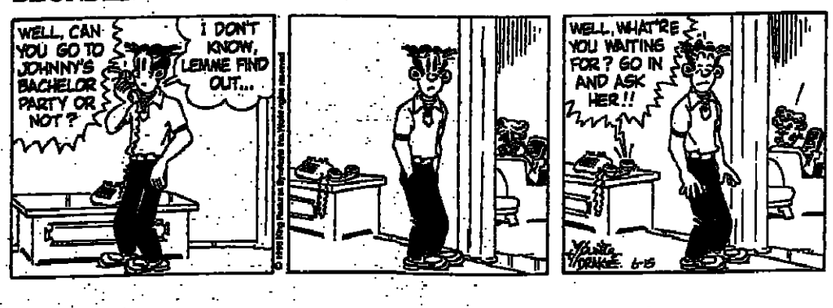


"Coincidence, ladies and gentlemen? Coincidence that my client just happened to live across from the A-1 Mask Co., just happened to walk by their office windows each day, and they, in turn, just happened to stumble across this new design?"

DOONESBURY



BLONDIE



JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

WARLC

LAVEG

ALBEFF

THAGAS



Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: ( ) ( ) ( ) ( ) ( ) ( )

(Answers Monday)

Yesterday's Jumbles: SINGE NIPPY EXEMPT MEMORY
Answer: Where the convicted burglar ended up — ON AN EGO TRIP

To our readers in Holland

You can receive the IHT hand delivered to your home or office every morning. Just call us toll free at 06 022.51 58.

DAVE BARRY

The Dead Sheep in the Trees

MIAMI — Call me paranoid, but my first reaction, upon learning about the dead sheep being found in treetops in New Zealand, was that something unusual was going on.

I found out about this thanks to reader Steven Moe, who sent me an article from The Press of Christchurch, New Zealand, concerning "the discovery of several dead sheep high in the trees of Tumicliffe Forest." The article states that "four or five decomposing sheep were high in the branches." That is too many sheep to be explained by natural causes.

Which leads us to the obvious explanation: namely, supernatural causes. I realize that many of you laugh at stories of the paranormal. "Ha ha," you say. But the truth is that the world is full of strange phenomena that cannot be explained by the laws of logic or science.

There are many other documented cases of baffling supernatural occurrences. Consider these examples:

• Early in the morning of Oct. 8, 1991, Florence A. Snegg of Uvula, Michigan, was having an extremely vivid dream in which her son, Russell, was involved in a terrible automobile accident. Suddenly she was awakened by the ringing of her telephone. On the line was a Missouri state trooper, calling long distance to remind Mrs. Snegg that she had never had children.

• On the afternoon of March 13, 1993, Winchester B. Fleen of Toad Sphincter, Arkansas, was abducted by hostile, large-brained beings who drilled holes in his head, probed him with giant needles, pumped chemicals into his body, took samples of his organs and removed most of his bodily fluids before they found out that he did not have health insurance, at which point they released him back into the hospital waiting room.

Impossible, you say? Perhaps so, but all of these incidents, along with hundreds more that have not occurred to me yet, have been thoroughly documented by the Institute for Documenting Things Thoroughly. The lesson is this: Before you say something is "impossible," you would be wise to remember the old saying: "Truth is stranger than fiction, especially when 'truth' is being defined by the O.J. Simpson defense team."

And thus when you consider the New Zealand tree-sheep article, the question you must ask yourself is: "How can I, keeping an open mind, best explain what happened?" The answer is: "Read the rest of the article, you moron."

It turns out that the sheep had fallen from a helicopter. The pilot had been transporting — I am not making up this quote — "some ewes that had died from sleepy sickness," and the wire that was holding the sheep under the helicopter broke. Incredibly, the pilot had been warned about this the night before in a telephone call from a Missouri state trooper.

No, I made that last part up. But the rest of the story is true, which raises the following alarming questions for those who live in, or plan to visit, New Zealand: Is it a common practice there to transport deceased sheep via helicopter?

If one of these sheep were to land on you, would you get "sleepy sickness"?

What about Mad Cow Disease?

□

For the record, tree sheep are not the only bizarre phenomenon to occur lately in New Zealand. I have here a document, sent in by alert reader Gretl Collins, stating that a researcher in New Zealand has discovered a new, improved method for growing tomatoes hydroponically. ("Hydroponically" comes from the Greek words "hydro," meaning "a," and "ponically," meaning "way of growing tomatoes.")

According to the document, the researcher has found that he gets excellent results when he grows the tomatoes in: brassieres. I am not making this up.

This leads to still MORE questions, including:

Does this give new meaning to the expression "Get a load of those tomatoes"?

Would it be tasteless to make a joke here about growing zucchini in athletic supporters?

What about Mad Tomato Disease?

There's probably nothing to worry about, but until we get some answers, I think everybody should panic for a while and then get some sleep. I myself am suddenly feeling VERY sleepy, so I'm just going to put my head down and . . . Moo.

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Wayne Kramer: Out of Hibernation

By Mike Zwerin
International Herald Tribune

PARIS — MC5, the band Wayne Kramer co-founded in the '60s, was working-class America's worst nightmare come true — their own kids turned pinko, freaky and deafening.

Anticipating the punk movment by a decade, they were all about energy, volume and attitude. Forget finesse. They became the house band for the White Panther Party. They backed up the Yippies at the Democratic Convention in Chicago in 1968. They can be connected directly to punk and the Sex Pistols and The Ramones. "Kick Out the Jams" was their anthem.

MC5's gigs were rallies more than concerts. The music combined Detroit-area leftish politics and a melange of local jazzmen and R&B stars like Elvin Jones and Marvin Gaye. Their concerts were violent and subversive. This at least they and the establishment agreed upon.

Afraid for their children, the power structure made an example of MC5's manager John Sinclair, who was also a stalwart White Panther. He was sentenced to jail for 9 to 10 years for the possession of two marijuana cigarettes but he was released after serving two and a half years.

When the band broke up in 1973, Kramer was 24 and it was like he'd lost his family. At the same time, the auto industry was collapsing. Hate, handguns and heroin flooded Detroit. Kramer became what he calls a "not very good gangster." It had nothing to do with politics. It was simple: "I was a criminal and I got caught."

He found "incredibly hip chord changes" scribbled on a wall of the Federal Correctional Facility in Lexington, Kentucky. Lexington's detox program had been home to some of the best jazz musicians in the country; Kramer met Red Rodney there.

Rodney, who was 50 and had been there before, told Kramer that heroin does not make you a better musician or a sexier and more interesting person. Kramer had never really considered that before. All he knew was that he idolized jazz musicians and that Rodney had played the trumpet with Charlie Parker. Rodney became his mentor. He helped Kramer pass a correspondence course from the Berklee College of Music.

"Red saved me," he said. "Prison saved me."

Over the 20 years since then, Kramer has amassed enough theoretical knowledge to be able to make interesting instrumental music. His political side, however, regards this as a cop-out. Avoiding songs with words means avoiding problems that needed addressing.

One song on his new detuned, fuzzy and punky solo album "Dangerous Minds" (Epitaph) is titled "Something Broken in the Promised Land." And the song "Back to Detroit" recalls the good old days when "drive-bys only happened to the Purple Gang," and "the endless search for the great good place was redeemed by the power of loud electric guitars."

At the age of 47, like other inactive drug addicts, Kramer appears fresh for his age — as though he's been hibernating for a few seasons. And he reviews the past with energetic concern for the truth, like someone who knows something about 12-step programs:

"The rock establishment was trying to market East and West Coast bands like the Airplane and the Velvets as elitist art. They were all excited about three days of peace and love, and here we were this vulgar working-class band out of Middle America and we didn't fit into the picture. They despised us."

Bruce Springsteen picked up MC5's blue-collar ethic (they had the same producer, Jon Landau), but Kramer says that "Bruce romanticizes losers. I don't think they're romantic. Our fans worked hard for their money in the factories and they expected their band to work hard. We were always trying to come up with the perfect set. We presented loud out-of-tune electric guitars with amps turned up to 11 as the sound of liberation."

"Did you get ear trouble from all of that?"

"Huh?"

"*Ear* trouble. You have it?"

"Huh?"

The man has got to have a sense of humor to be capable of "fondly" remembering the "endless misery" of having worked with Johnny Thunders, a member of a band called The New York Dolls. They were a direct descendant of MC5, and Thunders had picked up a lot of Kramer's moves. It must have been sort of like a Beatle working with Oasis.

Kramer later worked with the influential band Was Not Was and he produced "anarchist rock bands" on New York's Lower East Side. For four years in the '80s, he lived in Key West, Florida, a laid-back hot spot at the end of the road. Kramer always thought life involved musicians against the world, not musicians against each other. So after a bandleader asked him to "play more boring" during a sunset gig, he moved back north.

Now that he's sober, Kramer says, he sometimes worries about being boring. He seems so interesting and interested and well-adjusted, it's easy to forget where he's coming from. A standard rehab dictum says "you have to lose the habits you had when you had a habit." The habit of thinking that stoned is interesting and sober boring is one of them. He knows better, but it's a daily fight.

"Yeah," he said, when push finally came to shove. "I guess I am well-adjusted. But it took me a long time to get rid of my anger about my band being better than all those others — we could have eaten those guys for breakfast. And I have to remind myself that a lot of guys my age still can't play ninth chords and all they think about is hair and buying a new pair of boots. I think about time. You can't buy time."

Currently working on a 10-year survival plan ("I don't want to be old and sick and homeless and this is the only thing I'm good at"), he is searching for the meaning of the MTV-generation disposable culture where some "invent-a-band" is wildly successful for six months and then gets thrown into the garbage. "Sometimes I wonder if there's any place out there for me at all."



Christian Rose

In prison, Kramer found "incredibly hip chord changes" on walls.

PEOPLE

THE singer-songwriter **Van Morrison**, the author **Joanna Trollope** and golfer **Sam Torrance** topped the **Queen Elizabeth II** birthday honors list. Morrison became an officer of the Order of the British Empire. The Belfast-born entertainer's song "Days Like This" came to represent the Northern Ireland peace process after it was used in an advertising campaign. The list included 1,041 names of people recognized by **Prime Minister John Major**, whose office drew up the list on behalf of the queen. The Beatles' producer, **George Martin**, received a knighthood, Trollope and the jazz pianist **George Shearing** were awarded OBEs, and Torrance became a member of the British Empire. The England cricketer **Jack Russell**, snooker player **John Parrott** and Welsh rugby winger **Ieuan Evans** also received MBEs, as did Britain's oldest working journalist, the 100-year-old **George Fraser**, who writes a column for the Aberdeen Press and Journal in Scotland. . . . The lengthy reign of the queen has overtaken that of her namesake, **Queen Elizabeth I**. But after 44 years and 128 days on the throne, she still has a long way to go to beat **Queen Victoria's** 63 years. Elizabeth II is now Britain's fifth-longest-reigning monarch.

□

The Pop artist **Peter Max** pleaded not guilty to federal conspiracy and tax fraud charges in New York. "The allegations are completely false. They counter everything I stand for," Max said after his arraignment. He was released on a $100,000 personal recognizance bond.

□

"Without security there is no freedom," the writer **Joseph Wambaugh** told Andy Meisler of The New York Times. "Without security you've got nothing. How free are you when your streets aren't safe? When you're afraid to go to sleep at night without alarms, fences, razor wire?" This is an issue close to Wambaugh's heart. The author, whose latest novel, "Floaters," entered The New York Times best-seller list this week at No. 13, sees a breakdown of law and order in the United States, symbolized by the Los Angeles Police Department, of which he is a proud and vocal alumnus. "It's reactive instead of proactive, like it should be," he said. "And like it used to be."

□

Bodies sleek with oil and biceps firmly flexed, four men have braved the giggles of British women to pose as Cosmopolitan magazine's first nude male centerfolds for 20 years. **David Chokachi**, of the American television series "Baywatch"; the French television presenter **Antoine de Caunes**; the British actor **Patrick Robinson** and rugby player **Kyran Bracken** bared nearly all for Cosmopolitan's revival of its 1970s male centerfold. The pictures appear in a special supplement in the July issue

□

A missing leaf from one of the most elusive manuscripts in U.S. history — which was discovered by a gardener under a sofa in an English town house — was sold in for almost £200,000 ($300,000). Book experts at Phillips, the London auction house that handled the sale, said they were satisfied that the words were written by **George Washington** for the speech he intended to make at his inauguration. Washington abandoned the speech, delivering a shorter version when he was sworn in on April 30, 1789. The original was broken up and given to autograph hunters.

□

Darci Kistler, a principal dancer with the New York City Ballet, and **Peter Martins**, its ballet master in chief, are parents of a daughter, **Talicia Tove Martins**. The baby is named for her grandmothers: **Alicia Kistler** and **Tove Martins**.

□

Donald D. Engen, a World War II dive-bomber pilot and former head of the Federal Aviation Administration, has been named director of the Smithsonian's National Air and Space Museum in Washington. The previous director, **Martin Harwit**, resigned in May 1995 in the aftermath of a controversy over the museum's exhibition on the Enola Gay, the B-29 that dropped the atomic bomb on Hiroshima.



The Associated Press

Joseph Wambaugh, whose latest novel is "Floaters," speaks out on crime.



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